

Augusta's River Region by Rhian Swain

Comprehensive Annual Financial Report

**For the year ended
December 31, 2016**

**Prepared By:
The Augusta, Georgia Finance Department**

**Donna B. Williams, CGFM
Director of Finance**

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AUGUSTA, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2016

Prepared by:

Augusta, Georgia Finance Department

Donna Williams, CGFM
Director of Finance

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June 29, 2017

To the Honorable Mayor,
Members of the Commission,
and Citizens of Augusta, Georgia

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. The Comprehensive Annual Financial Report (CAFR) of Augusta, Georgia (the "Government") for the fiscal year ended December 31, 2016, is published to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits; the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Mauldin and Jenkins, LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on Augusta, Georgia's financial statements for the year ended December 31, 2016. The Independent Auditor's Report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the government

The consolidated government of Augusta-Richmond County is a political subdivision created and existing under the laws of the State of Georgia and presently has as its formal or legal name "Augusta, Georgia." The Consolidated Government was created on January 1, 1996, pursuant to Acts of the General Assembly of the State of Georgia. The consolidation of the City of Augusta and Richmond County were separately approved by a majority of the qualified voters of the City and the County at an election held on June 20, 1995. On January 1, 1996, the Consolidated Government became a consolidated city-county government, with territorial limits covering all of what was formerly Richmond County. The Cities of Blythe and Hephzibah, small communities with populations of approximately 724 and 4,026, respectively, still hold their own municipal charters within the consolidated territory. The relationship between the Government and the Cities of Blythe and Hephzibah is similar to that of counties to municipalities located within the territorial limits of such counties.

Augusta, Georgia, as a consolidated city-county government, has all of the governmental and corporate powers of both municipal corporations and counties under Georgia law. Under the terms of the Consolidation Act, the Augusta-Richmond County Commission may exercise and is subject to all of the rights, powers, duties, and obligations previously applicable to the governing authorities of the City and the County. Consolidation is intended to result in the removal of duplicate services formerly rendered by the City and County governments. As a result of consolidation, the Consolidated Government provides, under one management, public services throughout its territorial limits, which would have been provided separately by the City and the County.



The City was originally chartered in 1789 by the General Assembly of the State of Georgia, making it Georgia's second oldest city. As a city, the Consolidated Government would rank as the second largest, by population, in the State of Georgia. The Consolidated Government is located in the central eastern portion of the State of Georgia on the south bank of the Savannah River, which is the Georgia-South Carolina state boundary, approximately 155 miles east of Atlanta, Georgia and 75 miles southwest of Columbia, South Carolina. Richmond County has a land area of approximately 325 square miles. At its highest point, Richmond County is situated at 520 feet above sea level. Richmond County is located on the Fall Line, which is the natural division of the Piedmont Plateau and the Coastal Plain of Georgia. Its physical features include rolling slopes in the north, transitioning to more level terrain in the south. Average rainfall is 43 inches per year, and average temperatures range from a high of 91 degrees in the summer to a low of 34 degrees in the winter.

Augusta, Georgia is the home to Augusta University which has a student enrollment of approximately 8,530 and Paine College (a historically black college) with a student enrollment of approximately 550. Augusta, Georgia is the regional center of east central Georgia with a stable economy based on a broad mix of industry, healthcare facilities, service organizations, and governmental institution.

The Government provides a full range of urban services for its citizens. These services are overseen by the Administrator who is appointed by a 10-member Board of Commissioners. Commissioners hold part time positions and are elected, in staggered voting cycles to four year terms. Augusta has a full time Mayor also elected to a four-year term. Additional information about current activities of the Government can be obtained at our website, www.augustaga.gov.com.

In accordance with State Law and the Government's charter, Augusta, Georgia adopts an annual operating and capital budget. The budget process provides a professional management approach to establishing priorities and an orderly means of directing the Government's various services. Developed on a line item basis with a focus on the cost of services, the Government's budget is adopted by the Mayor and Commission after a required public hearing and two public notices. The legal level of budgetary control is the department/fund level.

Local Economy

Augusta, Georgia remains the industrial and retail center for east central Georgia. Trends in the local economy indicate that the business outlook continue to improve. Augusta, Georgia's top five industry sectors are government (Federal, state and local), healthcare, manufacturing, hospitality and retail; growth was seen in all sectors.

The largest employer in Augusta, Georgia is Fort Gordon with a workforce of over 19,800. Over its 73-year history, Fort Gordon has adapted to new missions, growing to respond to the Army's needs and the world's situations. The installation is widely known as the home of the Signal Corps and U.S. Army Signal Center of Excellence, the Armed Forces' largest information technology and communications training site. In fiscal year 2013, more than 12,000 enlisted personnel and officers were trained in 160 high-tech courses involving 18 different military occupational specialties and officer skills. The Center not only trains Army students, but also instructs Air Force, Navy and Marine service members in the communications arena. The Signal Center serves as the personnel proponent for Soldiers in Signal careers, including 60,000 Active Army, United States Army Reservists and Army National Guard worldwide.



Fort Gordon is a vibrant installation with 18 major military commands and organizations, featuring joint service presence of thousands of sailors, airmen and marines as well as Soldiers. There is a growing synergy between military intelligence, communications and military medical communities. Fort Gordon is also home to the following organizations:

- Dwight David Eisenhower Army Medical Center: serves nearly 61,000 beneficiaries (active duty, family members and retirees) within a 40-mile radius; Eisenhower Army Medical Center, which employs the largest number of Fort Gordon civilians (1600+), is one of the Army's most advanced health care and tracking medical facilities. There is also a Warrior Transition Battalion and campus with nearly 400 'Wounded Warriors.'
- NSA-CSS Georgia: one of three joint regional centers that provide global operational intelligence; recently completed construction on a 575,000 sq. ft. facility
- 513th Military Intelligence Brigade: conducts theater-level, multi-discipline intelligence and security operations during war and military operations other than war
- 35th Signal Brigade: deploys, installs, operates, manages and maintains and protects theater tactical communications in support of joint and combined operations for all combatant commanders

Augusta, Georgia's famous golf course, the Augusta National Golf Club, hosts the Masters Tournament. This is the Professional Golfers Association (PGA) Tour's first major golf tournament of each year. This tournament is one of the most prestigious in the sport and is one of the four major championships. The best professional and amateur golfers in the world come to Augusta during the first full week of April each year.

Augusta, Georgia is also host to the Augusta Southern Nationals Drag Boat Race and the IRONMAN 70.3 the largest half IRONMAN competition east of the Mississippi River.

In 2012, the Transportation Investment Act (TIA) of 2010 was approved in only three of twelve regions established by the legislature. In the Central Savannah River Region, which includes Augusta, Georgia, the referendum was approved by a 54-46% margin. The 1% additional sales tax began on January 1, 2013. Augusta, Georgia has 50 of the 84 projects approved for this region.

Augusta's Georgia Cyber Innovations and Training Center, a \$60 million facility with 168,000 square feet of office space funded by the State of Georgia with a \$12 million, 575 space parking deck funded by Augusta, Georgia broke ground in June 2017. The center is expected to have a significant economic impact in the region. An Augusta University study expects current area employers to add over 800 positions, increasing their cybersecurity workforce by 138 percent. The Center and Parking Deck will open in July 2018.

Long-term financial planning and major initiatives

Augusta, Georgia operates under a set of fiscal policies which establishes operational objectives and promotes continuity in fiscal decision-making, and long-term financial stability of the Government. These policies cover financial areas in operating budget, reserve fund balances, accounting, auditing and financial reporting, and purchasing.

The Government strives to maintain a minimum unassigned fund balance in its General Fund, which is 75 to 90 days of operations based on budgeted expenditures. This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment. Due to an Ice Storm in 2014 the Government is currently below this level. The Government has established a budget policy that is anticipated to replenish the reserves to the desired levels in 5 years.



The Government has established a financial and budgetary policy which is reviewed and updated as necessary by approval of the Augusta, Georgia Commission. Budgetary control is maintained at the department level. No increase in the overall budget can be made without the approval of the Commission and an amendment to the budget. Unencumbered appropriations in the annual operating budget lapse at fiscal year-end.

Augusta, Georgia's financial condition is demonstrated by the Aa2, rating from the national rating agency Moody's for its general obligation bonds and revenue bonds. The Government's ratings were reaffirmed in November 2016.

Major Initiatives

Transportation Investment Act of 2010 (TIA). On July 31, 2012, voters within the Central Savannah River Area (CSRA) Region, which includes the Government, approved the TIA, which was created by the Georgia General Assembly in 2010 to provide state-wide funding for transportation needs across the state in the form of a 1% sales tax. This is a regional program with project lists compiled by the county and city governments within each region and approved by the Transportation Roundtable of the region and the Georgia Department of Transportation (GDOT) Program Director. The CSRA region includes 13 counties and the cities therein. Of the total funds collected, 75% will go to regional projects and 25% will go to the local governments to use at their discretions. The discretionary funds will be invaluable in meeting local needs not presently funded due to a lack of GDOT monies. Approval of the TIA will accelerate our preparation for present and future transportation needs and will provide opportunities not only for better and safer roads, but also for job creation and economic development.

Of the 84 projects approved 50 are located in the County. Major road projects include:

- Broad Street Improvement (\$25 million)
- Calhoun Expressway Reconstruction (\$8.8 million)
- Greene Street Improvements (\$9.9 million)
- Marks Church Road Widening (\$7.8 million)
- Riverwatch Parkway Resurfacing (\$10 million)
- Telfair Street Improvements (\$19.2 million)
- Berckmans Road Widening (\$16.7 million)
- 5th Street Bridge restoration (\$9.1 million)
- Gordon Highway Improvements (\$14 million)
- 15th Street Widening (\$21.4 Million)
- Riverwatch Parkway Median Barrier renovation (\$8.6 million)
- Windsor Spring Road Widening (\$43 million)
- Wrightsboro Road Widening (\$21.6 million)

Projects will be funded in three phases; the tax collections will end in 2022.

1% Special Purpose Local Option Sales Tax (SPLOST) – 2016-2021. The current SPLOST program was renewed by referendum on November 3, 2015. As part of the SPLOST renewal, a general obligation (GO) bond was approved, not to exceed \$28.5 million, to begin funding the construction of urgently needed projects. The 2016 -2021 package reflects anticipated collections of \$215,500,000.

Project categories that are to receive funding include:

- Public Safety - \$45.5 million
- Quality of Life - \$28 million
- General Government - \$11 million
- Infrastructure – \$70.1 million
- Government Facilities - \$52.5 million



Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to Augusta, Georgia for its CAFR for the fiscal year ended December 31, 2015. This was the first year that Augusta achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Government has to publish an easily readable and efficiently organized CAFR that satisfied both Generally Accepted Accounting Principles and applicable program requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation, design and publication of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated service of the entire finance office staff. We would also like to express our gratitude and appreciation to the firm of Mauldin & Jenkins, LLC for their technical guidance and assistance to make this a quality report.

Sincere appreciation also goes to the various elected officials, and county department directors for their assistance and positive attitude throughout the year in matters pertaining to the financial affairs of the Government.

Finally, credit also must be given to the Mayor, Administrator, and County Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the Government's finances.

Respectfully submitted,

Donna B. Williams, CGFM
Director of Finance

AUGUSTA, GEORGIA
FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Augusta-Richmond County
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

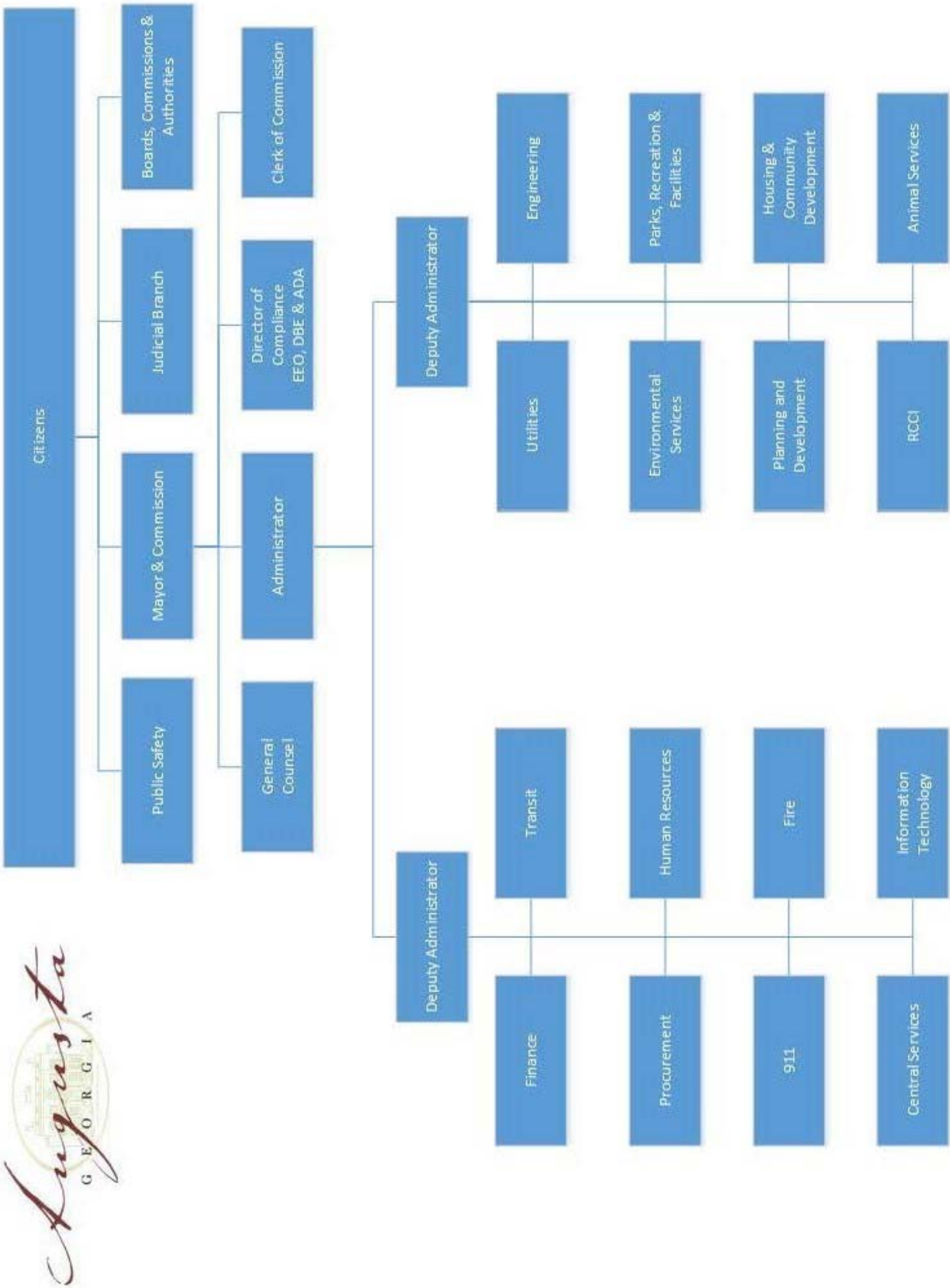
December 31, 2015



Executive Director/CEO

AUGUSTA, GEORGIA

FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016



AUGUSTA, GEORGIA
PRINCIPAL OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2016

Mayor and Commission

| | |
|-------------------|-----------------------------|
| Hardie Davis, Jr. | Mayor |
| Grady Smith | Mayor Pro-Tem, Commissioner |
| William Fennoy | Commissioner |
| Dennis Williams | Commissioner |
| Mary Davis | Commissioner |
| Sammie Sias | Commissioner |
| Bill Lockett | Commissioner |
| Ben Hasan | Commissioner |
| Sean Frantom | Commissioner |
| Wayne Guilfoyle | Commissioner |
| Marion Williams | Commissioner |

Elected Officials

| | |
|--------------------------|---|
| J. Carlisle Overstreet | Chief Judge Superior Court |
| Michael N. Annus | Judge, Superior Court |
| James G. Blanchard, Jr. | Judge, Superior Court |
| Carl C. Brown | Judge, Superior Court |
| Daniel J. Craig | Judge, Superior Court |
| Sheryl B. Jolly | Judge, Superior Court |
| J. Wade Padgett | Judge, Superior Court |
| J. David Roper | Judge, Superior Court |
| Richard A. Slaby | Chief Judge, State Court |
| David D. Watkins | Judge, State Court |
| Patricia W. Booker | Judge, State Court |
| John Flythe | Judge, State Court |
| William D. Jennings, III | Chief Judge, Civil and Magistrate Court |
| H. Scott Allen | Judge, Civil and Magistrate Court |
| Harry B. James, III | Judge, Probate Court |
| Mark Bowen | Coroner |
| Ashely Wright | District Attorney |
| Steve Smith | Marshal |
| Richard Roundtree | Sheriff |
| Kellie K. McIntyre | Solicitor General |
| Steven Kendrick | Tax Commissioner |
| Elaine Johnson | Clerk of Court |

AUGUSTA, GEORGIA
PRINCIPAL OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2016

Appointed Officials

| | |
|---------------------------|--|
| Janice Allen Jackson | Administrator |
| Chester Brazzell | Deputy Administrator |
| Ted Rhinehart | Deputy Administrator |
| Donna B. Williams | Finance Director |
| Sharon S. Broady | Animal Services Director |
| Herbert Judon, Jr | Executive Director, Augusta Regional Airport |
| Lynn Bailey | Board of Elections Director |
| Takiyah A. Douse | Central Services |
| Lena Bonner | Clerk of Commission |
| Kellie Irving | Compliance Director |
| Abie Ladson | Engineering Director |
| Mark Johnson | Environmental Services Director |
| Chris James | Fire Chief |
| Hawthorne E. Welcher, Jr. | Housing & Development Director |
| Michael Loeser | Human Resources Director |
| Tameka Allen | Information Technology Director |
| Jennifer S. McKinzie | Judge, Juvenile Court |
| Pamela James Doumar | Judge, Juvenile Court |
| Andrew MacKenzie | General Counsel |
| Melanie Wilson | Planning & Development Director |
| Geri Sams | Procurement Director |
| Katherine M. Mason | Circuit Public Defender |
| Patrick Stephens | Director Augusta Public Transit |
| Evan A. Joseph | Warden – RC Correctional Institution |
| H. Glenn Parker | Recreation, Parks & Facility Director |
| Alveno Ross | Chief Appraiser |
| Tom Wiedmeier | Public Utilities Director |
| Daniel Dunlap | 911 Emergency Services |

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of Augusta, Georgia
Augusta, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Augusta, Georgia** (the "Government"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Augusta, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Richmond County Department of Health, the Augusta Canal Authority, the Downtown Development Authority, or the Augusta-Richmond County Coliseum Authority, which represents 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Richmond County Department of Health, the Augusta Canal Authority, the Downtown Development Authority, and the Augusta-Richmond County Coliseum Authority, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Augusta, Georgia as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Fire Protection Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 16) and the Schedules of Funding Progress (on page 106), the Schedules of Changes in the Government's Net Pension Liability and Related Ratios (on pages 107 through 109), the Schedules of Government Contributions (on pages 110 through 112), the Schedules of Pension Investment Returns (pages 113 and 114), the Schedule of Contributions – Richmond County Health Department which was audited by other auditors on page 115, and the Schedule of Proportionate Share of the Net Pension Liability – Richmond County Health Department which was audited by other auditors on page 116 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

We have previously audited the Government's December 31, 2015, financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information in our report dated June 28, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Augusta, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Augusta, Georgia as of and for the year ended December 31, 2015 (not presented herein), and have issued our report thereon dated June 28, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. The combining and individual nonmajor fund financial statements and schedules for the year ended December 31, 2015, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2015 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2015.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2017, on our consideration of Augusta, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Augusta, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
June 29, 2017

AUGUSTA, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis of the Annual Financial Statements of Augusta, Georgia (the "Government") provides an overall narrative and analysis of the Government's financial statements for the fiscal year ended December 31, 2016. This discussion and analysis is designed to look at the Government's financial performance as a whole. Readers should also review the financial statements with notes, which follow this narrative, to enhance their understanding of the Government's financial performance.

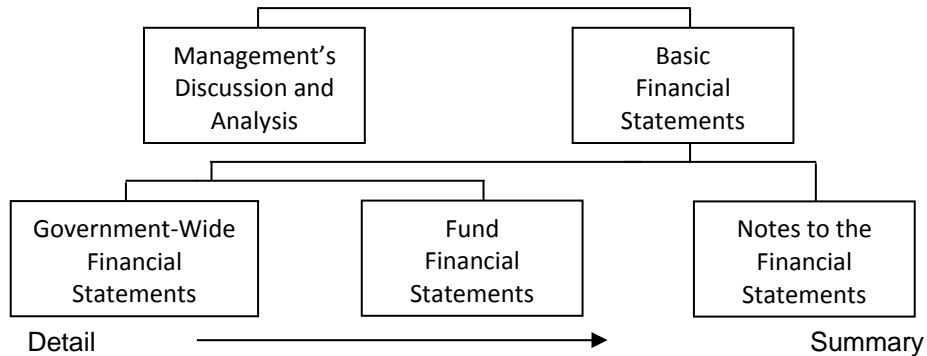
Financial Highlights

Key financial highlights for the year ended December 31, 2016, are as follows:

- The Government's combined net position totaled \$1.1 billion.
- The Government's total net position increased by \$70.8 million, primarily due to capital spending funded by the Special Purpose Local Option Sales Tax revenues, Transportation Investment Act (TIA) revenues, federal aviation grants, and other tax revenues.
- As of the close of the current fiscal year, the Government's governmental funds reported combined ending fund balances of \$225.3 million, an increase of \$42.6 million from the prior year. Approximately 5.3% of this total amount, or \$11.9 million, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, total fund balance for the General Fund was \$30.4 million, or 21.8% of total General Fund expenditures for the fiscal year. Of this amount, \$3.4 million has been assigned for risk management, and \$21.7 million, or 71.5% of total General Fund balance, as unassigned.
- Combined revenue totaled \$431 million, of which governmental activities totaled \$268.9 million and business-type activities totaled \$162.1 million. Current year revenues increased approximately 7% from those of the prior year.
- Overall expenses totaled \$360.3 million of which governmental activities totaled \$199.9 million and business-type activities totaled \$160.4 million. Current year expenses decreased approximately 3.5% over those of the prior year.
- Expenses of governmental activities exceeded program revenue by \$143.3 million, resulting in the use of general revenues (mostly taxes).

MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Components of Annual Financial Report



Basic Financial Statements

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Government's financial status.

The next statements are the **Fund Financial Statements**. These statements focus on the activities of the individual parts of Augusta, Georgia's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Government's non-major governmental funds and internal service funds, all of which are added together in one column on the appropriate basic financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Statements

The government-wide financial statements provide a broad view of the Government's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the Government's financial position, which assists in assessing the economic condition at the end of the fiscal year. These statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This means the statements take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The government-wide financial statements include the following two statements:

The **Statement of Net Position** presents information on all of the Government's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Government is improving or deteriorating.

The **Statement of Activities** presents information showing how the Government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expense and program revenues for each function of the Government.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include most of the Government's basic services such as general administration, judicial services, public safety, public works, health and welfare, culture and recreation, and housing and development. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those services that the Government charges a fee to customers in order to provide. These include Water and Sewer, Augusta Regional Airport, Waste Management, Transit, Daniel Field Airport, and Garbage Collection. The final category is component units. The Augusta-Richmond County Board of Health is a public health department. Although legally separate from the Government, the Government appoints a voting majority of the board. Augusta Canal Authority, Downtown Development Authority, and the Richmond County Coliseum Authority are also component units for which the Government is fiscally responsible.

Fund Financial Statements

A Fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The fund financial statements focus on individual parts of the Government, reporting the Government's operations in more detail than the government-wide statements. All of the funds of the Government can be divided into three categories: 1) governmental funds, 2) proprietary funds and 3) fiduciary funds. These fund categories use different accounting approaches and should be interpreted differently.

Governmental Funds

Most of the basic services provided by the Government are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide statements, these funds focus on how assets can readily be converted into cash and the amount of funds left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which focuses on current financial resources. Such information may be useful in evaluating the government's short-term financing requirements. These statements provide a detailed short-term view of the Government's finances that assists in determining whether there will be adequate financial resources available to meet the Government's current needs. The relationship between government activities in the government-wide financial statements and the governmental funds financial statements is described in a reconciliation that is a part of the fund financial statements.

The Government has five governmental fund types: 1) the General Fund, 2) Special Revenue Funds, 3) Debt Service Funds, 4) the Capital Projects Funds, and 5) the Permanent Fund. The Government reported four major governmental funds: 1) the General Fund, 2) Special Purposes Local Option Sales Tax Fund (SPLOST) Phase VI, 3) Special Purposes Local Option Sales Tax Fund (SPLOST) Phase 7, and 4) the Fire Protection Fund.

Proprietary Funds

The Government has two types of proprietary funds used to account for activities that operate similar to commercial enterprises found in the private sector. Funds that charge fees for services provided to outside customers including other local governments are known as Enterprise Funds. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Funds that charge fees for services provided to departments within the reporting government are known as Internal Service Funds. Proprietary funds use the accrual basis of accounting, thus there is no reconciliation needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements, except for the allocation of internal service fund activity.

The Government has seven enterprise funds: Water and Sewer, Augusta Regional Airport, Waste Management, Transit, Daniel Field Airport, Stormwater and Garbage Collection. The Government also has seven internal service funds: Risk Management, Fleet Operations, Workers' Compensation, Employee Health Benefits, Unemployment, Long-Term Disability Insurance and GMA Leases. The Water and Sewer, Augusta Regional Airport, Stormwater, and Garbage Collection funds are the only funds being considered major funds for presentation purposes.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiduciary Funds

The Fiduciary Funds are used to account for assets held by the Government as an agent for individuals, private organizations, other governments and other departments. The Government is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and only by those to whom the assets belong. These funds are not reflected in the government-wide financial statements because the resources are not available to support the Government's operations or programs.

Government-wide Financial Analysis

| | Governmental | Business-type | | Governmental | Business-type | |
|----------------------------------|----------------|----------------|------------------|----------------|----------------|----------------|
| | Activities | Activities | Total | Activities | Activities | Total |
| | 2016 | 2016 | 2016 | 2015 | 2015 | 2015 |
| Current and other assets | \$ 280,931,547 | \$ 206,517,090 | \$ 487,448,637 | \$ 239,489,276 | \$ 201,074,754 | \$ 440,564,030 |
| Capital assets | 663,237,471 | 690,445,670 | 1,353,683,141 | 625,927,698 | 699,986,941 | 1,325,914,639 |
| Total assets | 944,169,018 | 896,962,760 | 1,841,131,778 | 865,416,974 | 901,061,695 | 1,766,478,669 |
| Deferred outflow s of resources | 12,100,998 | 5,915,740 | 18,016,738 | 7,424,034 | 5,257,407 | 12,681,441 |
| Long-term liabilities | 203,814,566 | 553,182,234 | 756,996,800 | 157,688,861 | 552,142,771 | 709,831,632 |
| Other liabilities | 22,681,655 | 14,551,229 | 37,232,884 | 41,462,393 | 30,022,126 | 71,484,519 |
| Total liabilities | 226,496,221 | 567,733,463 | 794,229,684 | 199,151,254 | 582,164,897 | 781,316,151 |
| Deferred inflow s of resources | 5,732,791 | 4,697,473 | 10,430,264 | 8,865,242 | 5,275,845 | 14,141,087 |
| Net position: | | | | | | |
| Net investment in capital assets | 557,318,725 | 183,134,044 | 740,452,769 | 547,217,942 | 182,241,232 | 729,459,174 |
| Restricted | 188,414,660 | 92,929,966 | 281,344,626 | 126,202,046 | 87,266,093 | 213,468,139 |
| Unrestricted | (21,692,381) | 54,383,554 | 32,691,173 | (8,595,476) | 49,371,035 | 40,775,559 |
| Total net position | \$ 724,041,004 | \$ 330,447,564 | \$ 1,054,488,568 | \$ 664,824,512 | \$ 318,878,360 | \$ 983,702,872 |

Net Position

Net position may serve over time as one useful indicator of a government's financial condition. The assets of the Government exceeded liabilities by \$1.1 billion as of December 31, 2016.

The largest portion of the Government's net position, \$740.5 million or 70.2%, reflects its investment in capital assets such as land, buildings, equipment and infrastructure (road, bridges, sidewalks, water lines and sewer lines) less any related debt used to acquire those assets that is still outstanding. The Government uses these capital assets to provide services to its citizens; therefore, these assets are not available for future spending. Although the Government's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

An additional portion of the Government's net position, \$281.3 million or 26.7% represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$32.7 million or 3.1% may be used to meet the Government's ongoing obligations to citizens and creditors.

Several particular aspects of the Government's financial operations positively influenced the total *unrestricted governmental net position*:

- Continued diligence in the maintenance of 75 -90 days unreserved fund balance in the General Fund.
- Continued diligence in the collection of property taxes by maintaining a collection percentage of 99% for real and personal property.
- Continued low cost of debt due to the Government's high bond rating.

Changes in Net Position

Governmental activities. Governmental activities increased the Government's net position by \$58.9 million, and thereby accounting for 83.6% of the total growth in the net position of the Government. Key elements of this increase are as follows:

Governmental Revenues Property tax (27%) and other taxes (51.6%) continue as the main source of revenue of the Government amounting to 78.6% in 2016, compared to 78.1% in 2015. Sales tax revenues contributed approximately \$91.1 million to net position.

Governmental Functional Expenses: As reflected in the summary of Changes in Net Position, the Government expended 56.4% of the appropriations for judicial and public safety expenditures. The Government continues to commit substantial financial resources for the safety of its citizens. Other expenditures accounted for the remaining 44.6%.

Business-type activities: Business-type activities increased the Government's net position by approximately \$11.6 million. A significant portion of the increase was the result of the revenues received in the new Stormwater Fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Government's Changes in Net Position

| | Governmental Activities | Business-type Activities | Total | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|------------------|----------------------------|-----------------------------|----------------|
| | 2016 | 2016 | 2016 | 2015 | 2015 | 2015 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 42,025,258 | \$ 156,012,150 | \$ 198,037,408 | \$ 40,801,567 | \$ 137,145,924 | \$ 177,947,491 |
| Operating grants and contributions | 11,506,644 | - | 11,506,644 | 9,416,362 | - | 9,416,362 |
| Capital grants and contributions | 3,014,581 | 5,812,783 | 8,827,364 | 4,916,444 | 4,584,343 | 9,500,787 |
| General revenues: | | | | | | |
| Property taxes | 72,649,913 | - | 72,649,913 | 69,708,757 | - | 69,708,757 |
| Other taxes | 138,841,209 | - | 138,841,209 | 132,821,646 | - | 132,821,646 |
| Unrestricted investment earnings | 904,567 | 237,285 | 1,141,852 | 691,938 | 370,714 | 1,062,652 |
| Miscellaneous | - | 33,882 | 33,882 | 367,735 | 27,579 | 395,314 |
| Total revenues | 268,942,172 | 162,096,100 | 431,038,272 | 258,724,449 | 142,128,560 | 400,853,009 |
| Expenses: | | | | | | |
| General government | 36,221,517 | - | 36,221,517 | 33,802,731 | - | 33,802,731 |
| Judicial | 20,818,733 | - | 20,818,733 | 21,323,507 | - | 21,323,507 |
| Public safety | 92,071,561 | - | 92,071,561 | 73,686,078 | - | 73,686,078 |
| Public works | 12,391,998 | - | 12,391,998 | 33,487,270 | - | 33,487,270 |
| Health and welfare | 7,653,264 | - | 7,653,264 | 1,874,971 | - | 1,874,971 |
| Culture and recreation | 13,619,543 | - | 13,619,543 | 14,958,432 | - | 14,958,432 |
| Housing and development | 14,427,031 | - | 14,427,031 | 13,488,008 | - | 13,488,008 |
| Interest on long-term debt | 2,674,676 | - | 2,674,676 | 2,442,546 | - | 2,442,546 |
| Waste management | - | 11,051,624 | 11,051,624 | - | 14,379,585 | 14,379,585 |
| Water and sewer | - | 99,080,160 | 99,080,160 | - | 96,512,927 | 96,512,927 |
| Airports | - | 14,955,310 | 14,955,310 | - | 16,284,997 | 16,284,997 |
| Transit | - | 6,326,833 | 6,326,833 | - | 6,021,423 | 6,021,423 |
| Stormwater | - | 9,317,090 | 9,317,090 | - | - | - |
| Garbage Collection | - | 19,643,236 | 19,643,236 | - | 19,354,476 | 19,354,476 |
| Total expenses | 199,878,323 | 160,374,253 | 360,252,576 | 195,063,543 | 152,553,408 | 347,616,951 |
| Increase (decrease) in net position before transfers | 69,063,849 | 1,721,847 | 70,785,696 | 63,660,906 | (10,424,848) | 53,236,058 |
| Transfers | (9,847,357) | 9,847,357 | - | (3,861,383) | 3,861,383 | - |
| Change in net position | 59,216,492 | 11,569,204 | 70,785,696 | 59,799,523 | (6,563,465) | 53,236,058 |
| Net position, January 1 | 664,824,512 | 318,878,360 | 983,702,872 | 643,019,089 | 332,002,585 | 975,021,674 |
| Prior period adjustments | - | - | - | (37,994,100) | (6,560,760) | (44,554,860) |
| Net position, January 1, as restated | 664,824,512 | 318,878,360 | 983,702,872 | 605,024,989 | 325,441,825 | 930,466,814 |
| Net position, December 31 | \$ 724,041,004 | \$ 330,447,564 | \$ 1,054,488,568 | \$ 664,824,512 | \$ 318,878,360 | \$ 983,702,872 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Government's Individual Funds

Augusta, Georgia uses fund accounting to demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Government's governmental funds is to provide information on near-term inflows, outflows and balances of usable resources. Such information is useful in assessing the Government's financial requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The combined fund balance of all the governmental funds is \$225.3 million, of which \$11.9 million, or 5.3%, is unassigned.

General Fund

The General Fund is the primary operating fund of the Government. At the end of the current fiscal year, total fund balance of the General Fund was \$30.4 million, of which \$21.7 million or 71.5% was unassigned. A portion of the fund balance in the General Fund is designated for risk management, in the amount of \$3.4 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. As of December 31, 2016, total unassigned fund balance, represents 15.6% of total general fund expenditures.

The fund balance of the General Fund increased by \$3.4 million, or 12.6%. Key factors to this result include reimbursement from FEMA and GEMA of costs from an ice storm that occurred in February 2014. On March 6, 2014, portions of Georgia, including the Government, received federal disaster designation as a result of the ice storm. The Government has not yet received the final reimbursements from FEMA or GEMA and anticipates additional reimbursements will be received. The Government designated its reserve assigned to Risk Management to be used for the Government's portion on non-reimbursed expenses. Additionally, the Government planned a systematic replacement of that reserve at the rate of \$1.125 million per year until the reserve totals \$4.5 million and funds used for non-reimbursed expenses incurred during the ice storm have been replenished.

During the year, the Government revised the budget on several occasions. Generally, budget amendments fall into one of five categories: 1) amendments to appropriate fund balance for encumbrances from the prior year; 2) amendments made to adjust the estimates that are used to prepare the original budget resolution once exact information is available; 3) amendments made to recognize new funding amounts from external sources, such as Federal and state grants; 4) increases in appropriations that become necessary to maintain services; and 5) amendments to transfer appropriations between departments. The fifth category has no effect on the final budget and, therefore, is not addressed in this narrative.

General Fund Budgetary Highlights

The actual operating revenues for the General Fund were lower than the budgeted amount by approximately \$780 thousand or (.5%). The individual sources within the revenues fluctuated both positively and negatively.

The 2016 adopted budget (November 17, 2015) projected Ad Valorem tax revenues at 2015 levels with no projected growth in the tax digest and no increase in sales tax revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Special Sales Tax VI, Special Sales Tax 7 and Fire Protection Funds

Major funds included in the fund financial statements are the SPLOST Fund Phase VI, SPLOST Fund Phase 7, and Fire Protection Fund. The Government uses Capital Projects Funds to account for the acquisition and construction of major capital facilities that are not financed by Proprietary Funds. The proceeds of the special purpose 1% sales tax are accounted for in Capital Projects Funds until improvement projects are completed. The SPLOST Fund Phase VI's fund balance is \$60.9 million, all of which is held for specific construction and improvement projects and capital acquisitions. The SPLOST Fund Phase 7's fund balance is \$14.0 million, all of which is held for specific construction and improvement projects and capital acquisitions. The Government's uses the Fire Protection Fund mainly to account for receipts and disbursements of tax revenues for the fire protection services in the unincorporated area only. Primary revenue source is ad valorem taxes and primary expenditures are for public safety. The Fire Protection Fund's fund balance is \$15.9 million, all of which is held for specific for public safety projects. Increase in the fund balance for SPLOST phase VI and 7 is due to the programmed expenditure rate is over a longer period than the collection period. The collection period for these funds is 5 and 6 years respectively, while expenditures on the capital projects being funded will take place over an extended period of up to 15 years.

Proprietary Funds

The activities of the Government that render services to the general public on a user charge basis, or that require periodic determination of revenues for public policy are accounted for as Enterprise Funds. The Government's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position at the end of the year were as follows: Water and Sewer System Fund, \$14.0 million; Augusta Regional Airport, \$5.6 million; Garbage Collection Fund \$14.7 million; Stormwater Utility Fund \$3.4 million; Nonmajor Enterprise funds, \$17.2 million. The total growth (reduction) in net position for previously mentioned funds were \$ (2.0) million, \$2.2 million, \$1.2 million, \$4.1 million, and \$6.1 million, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the Government's business-type activities.

Capital Assets and Debt Administration

Capital Assets

The Government's investment in capital assets for its governmental and business-type activities as of December 31, 2016, amounts to \$1.4 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the Government, such as roads, bridges, streets and sidewalks, drainage systems and other similar items.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Major capital asset transactions during the year included construction of infrastructure, buildings, acquisition of public safety vehicles, construction of water and sewerage systems, and construction of a new airport terminal and building.

The Government's Capital Assets (net of depreciation)

| | Governmental Activities | Business-type Activities | Total |
|-----------------------------------|----------------------------|-----------------------------|-------------------------|
| Land | \$ 23,265,992 | \$ 19,537,903 | \$ 42,803,895 |
| Land and site improvements | 20,234,558 | 9,756,391 | 29,990,949 |
| Buildings | 32,202,552 | 57,457,850 | 89,660,402 |
| Building improvements | 207,269,328 | 1,243,949 | 208,513,277 |
| Water and sewerage systems | - | 512,669,096 | 512,669,096 |
| Landfill cells | - | 18,669,450 | 18,669,450 |
| Infrastructure | 96,248,991 | 21,443,604 | 117,692,595 |
| Vehicles, machinery and equipment | 23,714,317 | 14,802,159 | 38,516,476 |
| Construction in progress | 260,301,733 | 34,865,268 | 295,167,001 |
| | <u>\$ 663,237,471</u> | <u>\$ 690,445,670</u> | <u>\$ 1,353,683,141</u> |

Additional information on the Government's capital assets can be found in Note 6 of the notes to the financial statements of this report.

Long-Term Debt

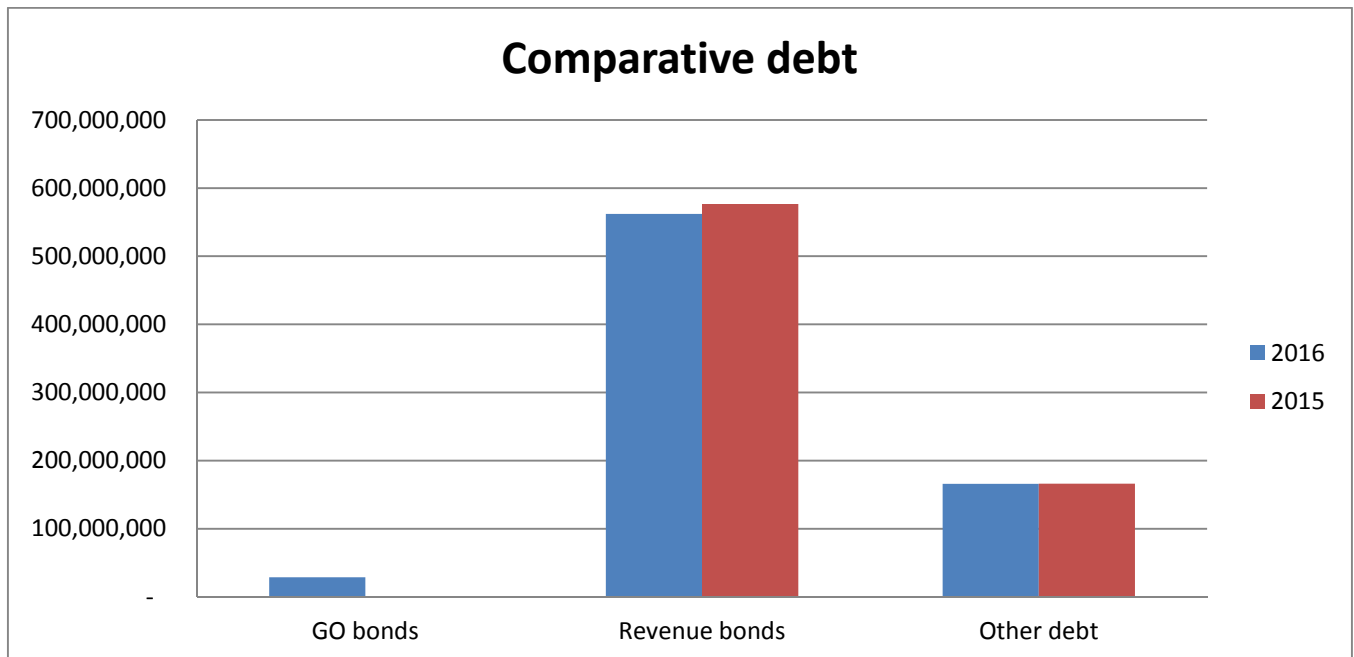
As of December 31, 2016, the Government had a total of \$757 million in outstanding long-term debt. Of this amount, \$562.1 million consists of revenue bonds backed by the revenues of the water and sewer system, waste management system and the Augusta Regional Airport and \$28.9 million consists of general obligation bonds. A table of the Government's outstanding debt can be found below.

The Government's Outstanding Debt General Obligation and Revenue Bonds

| | Governmental Activities | | Businesss-type Activities | | Total | |
|---------------|----------------------------|-----------------------|------------------------------|-----------------------|-----------------------|-----------------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| GO bonds | \$ 28,878,951 | \$ - | \$ - | \$ - | \$ 28,878,951 | \$ - |
| Revenue bonds | 59,179,526 | 60,640,632 | 502,945,438 | 516,020,255 | 562,124,964 | 576,660,887 |
| Other debt | 115,756,089 | 112,805,633 | 50,236,796 | 53,337,673 | 165,992,885 | 166,143,306 |
| Total debt | <u>\$ 203,814,566</u> | <u>\$ 173,446,265</u> | <u>\$ 553,182,234</u> | <u>\$ 569,357,928</u> | <u>\$ 756,996,800</u> | <u>\$ 742,804,193</u> |

MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-Term Debt (Continued)



The Government's bond rating of AA2 by Moody's Investor Service was confirmed in September 2016. Augusta's bond ratings are clear indications of the sound financial condition of the Government. The high ratings are a primary factor in keeping interest costs low on the Government's outstanding debt.

The State of Georgia limits the amount of general obligation debt that a unit of government can issue to 10% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Government is \$571 million based on the 2016 County-wide bond digest of \$5.71 billion.

Additional information regarding the Government's long-term debt can be found in Note 7 of the notes to the financial statements of this report.

Economic Factors and Next Year's Budget and Rates

The following key economic indicators reflect the continued stability of the Government:

- The U.S. Army moved the Army Cyber Command headquarters to Fort Gordon as the new home of the Cyber Center of Excellence.
- Huntsman Pigment has completed construction of a \$199 million facility, production will commence in 2017.
- The Georgia Cyber Innovations and Training Center, a \$60 million facility with 168,000 square feet of office space funded by the State of Georgia with a \$12 million, 575 space parking deck funded by Augusta, Georgia broke ground in June 2017. The center is expected to have a significant economic impact in the region. An Augusta University study expects current area employers to add over 800 positions, increasing their cybersecurity workforce by 138 percent. The Center and Parking Deck will open in July 2018.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Factors and Next Year's Budget and Rates (Continued)

- Textron Specialized Vehicles announced plans to expand their campus by 235 acres, adding more than 600,000 square feet and hiring up to 400 people.
- Several companies have relocated or expanded in the Government in support of the Army Cyber Command relocation:
 - Unisys relocated to downtown Augusta with an anticipated work force of 700
 - ADP is expanding its campus by 60,000 square feet and adding 450 employees
- The Government has received the following national and state rankings:
 - CNBC: Best City for a starter home
 - U.S. News & World Report: One of the best places to retire.
 - Digital Journal: Ranked fourth in the top places to live in the US.
 - Association of County Commissioners of Georgia – County of Excellence award
- The Government has an unemployment rate of 6.7%, higher than the state average of 5.5%.

Budget Highlights for the Fiscal Year Ending December 31, 2016

Each year, the Government overall goal is to provide essential services to our citizens as cost effectively and professionally as possible. Available resources must be allocated in a manner that balances the basic needs of our citizens for public safety and infrastructure with those associated that provide an enhanced quality of life, such as recreation and cultural arts. The Augusta Commission works diligently to plan for the future while ensuring current programs and services are working as smoothly as possible. We continually seek to improve.

Governmental Activities: The Ad Valorem Taxes are projected to increase slightly above the 2015 level. Other taxes are expected to remain stable. The FY 2016 budget for the general fund is expected to be slightly above the 2015 level, primarily due to increases to salaries for public safety personnel. Costs associated with the operating deficit of the transit fund are borne by the General Fund. The Government has not yet identified a continuing dedicated source of revenue to sustain that system's operations. The general economic climate for the city government of 2016 is expected to be stable.

Business – type Activities: Overall Water and Sewer revenue is projected to increase by more than 3% due to the increased rates.

Requests for Information

This report is designed to provide an overview of the Government's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Augusta-Richmond County, Georgia, 535 Telfair Street, Suite 800, Augusta, Georgia 30901. Questions concerning any of the information found in this report relating to the Richmond County Board of Health should be directed to the Department of Health at 950 Laney Walker Blvd., Augusta, Georgia 30901. Questions concerning any of the information found in this report relating to Augusta Canal Authority should be directed to Augusta Canal Authority, 1450 Greene Street, Suite 400, Augusta, Georgia 30903. Questions concerning any of the information found in this report relating to Downtown Development Authority should be directed to Downtown Development Authority, 936 Broad Street, Suite 107, Augusta, Georgia 30901.

BASIC FINANCIAL STATEMENTS

AUGUSTA, GEORGIA

**STATEMENT OF NET POSITION
DECEMBER 31, 2016**

| | Primary Government | | |
|---|----------------------------|---------------------------------|-------------------------|
| | Governmental Activities | Business- Type Activities | Total |
| ASSETS | | | |
| Cash and cash equivalents | \$ 148,501,008 | \$ 59,239,480 | \$ 207,740,488 |
| Investments | 55,262,267 | 913,363 | 56,175,630 |
| Taxes receivable | 7,505,849 | - | 7,505,849 |
| Accounts receivable, net of allowances | 20,155,736 | 31,182,126 | 51,337,862 |
| Interest receivable | 6,240 | 17,854 | 24,094 |
| Notes receivable | 2,891,569 | - | 2,891,569 |
| Due from other governments | 3,911,397 | 527,580 | 4,438,977 |
| Due from component units | 56,613 | - | 56,613 |
| Internal balances | 4,089,065 | (4,089,065) | - |
| Inventories | 80,627 | 2,585,377 | 2,666,004 |
| Prepaid expenses | 858,623 | 21,402 | 880,025 |
| Restricted assets, cash and cash equivalents | 33,278,011 | 104,209,671 | 137,487,682 |
| Restricted assets, investments | - | 766,658 | 766,658 |
| Noncurrent - prepaid items | - | 11,142,644 | 11,142,644 |
| Other assets | 4,334,542 | - | 4,334,542 |
| Capital assets | | | |
| Nondepreciable | 283,567,725 | 54,403,171 | 337,970,896 |
| Depreciable, net of accumulated depreciation | 379,669,746 | 636,042,499 | 1,015,712,245 |
| Total assets | <u>944,169,018</u> | <u>896,962,760</u> | <u>1,841,131,778</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension | 12,100,998 | 2,408,371 | 14,509,369 |
| Deferred charge on refunding | - | 3,507,369 | 3,507,369 |
| Total deferred outflows of resources | <u>12,100,998</u> | <u>5,915,740</u> | <u>18,016,738</u> |
| LIABILITIES | | | |
| Accounts and retainage payable | 10,774,217 | 8,434,585 | 19,208,802 |
| Accrued liabilities | 9,637,594 | 6,116,644 | 15,754,238 |
| Unearned revenue | 2,269,844 | - | 2,269,844 |
| Due to other governments | - | - | - |
| Due to primary government | - | - | - |
| Claims payable | 6,350,513 | - | 6,350,513 |
| Payable from restricted assets - current maturities of long-term debt | - | 12,355,000 | 12,355,000 |
| Other postemployment benefit obligation due in more than one year | 46,530,209 | - | 46,530,209 |
| Note payable due within one year | - | 3,486,993 | 3,486,993 |
| Note payable due in more than one year | - | 14,060,069 | 14,060,069 |
| Capital leases due within one year | - | 1,342,423 | 1,342,423 |
| Capital leases due in more than one year | - | 1,010,626 | 1,010,626 |
| Bonds payable due within one year | 1,275,000 | - | 1,275,000 |
| Bonds payable due in more than one year | 86,783,477 | 490,590,438 | 577,373,915 |
| Compensated absences due within one year | 5,599,553 | 1,257,106 | 6,856,659 |
| Compensated absences due in more than one year | - | - | - |
| Net pension liability due in more than one year | 40,387,814 | 8,038,080 | 48,425,894 |
| Landfill postclosure care costs due in more than one year | - | 21,041,499 | 21,041,499 |
| Certificates of participation due in more than one year | 16,888,000 | - | 16,888,000 |
| Total liabilities | <u>226,496,221</u> | <u>567,733,463</u> | <u>794,229,684</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred charge on refunding | - | 4,419,191 | 4,419,191 |
| Pension | 1,398,249 | 278,282 | 1,676,531 |
| Deferred revenue - effective hedge | 4,334,542 | - | 4,334,542 |
| Deferred inflows relating to capital projects | - | - | - |
| Total deferred inflows of resources | <u>5,732,791</u> | <u>4,697,473</u> | <u>10,430,264</u> |
| NET POSITION | | | |
| Net investment in capital assets | 557,318,725 | 183,134,044 | 740,452,769 |
| Restricted for: | | | |
| Judicial | 1,088,001 | - | 1,088,001 |
| Perpetual care | | | |
| Expendable | 334,017 | - | 334,017 |
| Nonexpendable | 526,110 | - | 526,110 |
| Public safety | 21,119,538 | - | 21,119,538 |
| Public works | 8,246,484 | - | 8,246,484 |
| Culture and recreation | 13,166 | - | 13,166 |
| Housing and development | 2,182,281 | - | 2,182,281 |
| Capital outlay | 126,080,464 | 74,424,084 | 200,504,548 |
| Debt service | 28,824,599 | 18,505,882 | 47,330,481 |
| Other purposes | - | - | - |
| Unrestricted | (21,692,381) | 54,383,554 | 32,691,173 |
| Total net position | <u>\$ 724,041,004</u> | <u>\$ 330,447,564</u> | <u>\$ 1,054,488,568</u> |

The accompanying notes are an integral part of these financial statements.

| Component Units | | | |
|--|-------------------------------|--------------------------------------|--|
| Richmond County Department of Health | Augusta Canal Authority | Downtown Development Authority | Augusta- Richmond County Coliseum Authority |
| \$ 4,998,993 | \$ 435,083 | \$ 10,169 | \$ 4,914,778 |
| - | - | - | - |
| - | - | - | 108,182 |
| 33,443 | 158,380 | 15,000 | 160,833 |
| - | - | - | - |
| - | - | - | - |
| 1,245,528 | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | 38,411 | - | - |
| - | 25,810 | - | 323,641 |
| - | 768,650 | 233,019 | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 1,947,997 | 1,706,247 | - | 1,674,426 |
| 6,421,948 | 15,719,882 | 836,680 | 7,927,758 |
| 14,647,909 | 18,852,463 | 1,094,868 | 15,109,618 |
| 1,161,904 | - | - | - |
| - | - | - | - |
| 1,161,904 | - | - | - |
| 576,112 | 39,957 | 3,364 | 1,614,097 |
| 4,780 | 34,997 | 36,881 | - |
| - | 217,828 | - | - |
| 803,686 | - | - | - |
| - | 56,613 | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 61,915 | - | - | - |
| 6,116 | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 300,680 | 50,596 | - | - |
| 169,133 | - | - | - |
| 8,104,011 | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 10,026,433 | 399,991 | 40,245 | 1,614,097 |
| - | - | - | - |
| 856,360 | - | - | - |
| - | - | - | - |
| - | - | 231,223 | - |
| 856,360 | - | 231,223 | - |
| 8,301,914 | 17,426,129 | 836,680 | 9,602,184 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | 768,650 | - | 38,704 |
| - | - | - | - |
| 3,046,839 | - | 16,796 | - |
| (6,421,733) | 257,693 | (30,076) | 3,854,633 |
| \$ 4,927,020 | \$ 18,452,472 | \$ 823,400 | \$ 13,495,521 |

AUGUSTA, GEORGIA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016**

| Functions/Programs | Program Revenues | | | | Governmental Activities |
|--|-------------------------|-----------------------------|---|---|--------------------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Primary government: | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 36,221,517 | \$ 15,533,080 | \$ 4,187,753 | \$ 359,229 | \$ (16,141,455) |
| Judicial | 20,818,733 | 3,288,556 | 476,964 | - | (17,053,213) |
| Public safety | 92,071,561 | 12,640,313 | 658,449 | 1,322,980 | (77,449,819) |
| Public works | 12,391,998 | 2,500,347 | 2,066,252 | 1,332,372 | (6,493,027) |
| Health and welfare | 7,653,264 | 756,526 | 339,719 | - | (6,557,019) |
| Culture and recreation | 13,619,543 | 2,862,414 | 15,381 | - | (10,741,748) |
| Housing and development | 14,427,031 | 4,444,022 | 3,762,126 | - | (6,220,883) |
| Interest on long-term debt | 2,674,676 | - | - | - | (2,674,676) |
| Total governmental activities | 199,878,323 | 42,025,258 | 11,506,644 | 3,014,581 | (143,331,840) |
| Business-type activities: | | | | | |
| Water and sewer system | 99,080,160 | 91,967,807 | - | - | - |
| Augusta Regional Airport | 14,627,150 | 14,046,296 | - | 2,750,132 | - |
| Garbage collection | 19,643,236 | 19,448,658 | - | - | - |
| Waste management | 11,051,624 | 14,868,570 | - | - | - |
| Transit | 6,326,833 | 1,898,118 | - | 2,973,372 | - |
| Daniel Field Airport | 328,160 | 119,147 | - | 89,279 | - |
| Stormwater utility | 9,317,090 | 13,663,554 | - | - | - |
| Total business-type activities | 160,374,253 | 156,012,150 | - | 5,812,783 | - |
| Total primary government | \$ 360,252,576 | \$ 198,037,408 | \$ 11,506,644 | \$ 8,827,364 | \$ (143,331,840) |
| Component units: | | | | | |
| Richmond County Department of Health | \$ 14,392,405 | \$ 4,180,010 | \$ 11,403,820 | \$ - | \$ - |
| Augusta Canal Authority | 2,562,221 | 1,002,109 | 332,648 | 1,030,933 | - |
| Downtown Development Authority | 318,602 | 24,000 | 176,818 | 33,523 | - |
| Augusta-Richmond County Coliseum Authority | 6,873,543 | 5,374,215 | - | - | - |
| Total component units | \$ 24,146,771 | \$ 10,580,334 | \$ 11,913,286 | \$ 1,064,456 | - |
| General revenues: | | | | | |
| Property taxes | | | | | 72,649,913 |
| Franchise taxes | | | | | 24,481,414 |
| Sales taxes | | | | | 91,066,216 |
| Insurance premium taxes | | | | | 12,223,371 |
| Other | | | | | 11,070,208 |
| Unrestricted investment earnings | | | | | 904,567 |
| Gain on sale of capital assets | | | | | - |
| Transfers | | | | | (9,847,357) |
| Total general revenues and transfers | | | | | 202,548,332 |
| Change in net position | | | | | 59,216,492 |
| Net position, beginning of year | | | | | 664,824,512 |
| Net position, end of year | | | | | \$ 724,041,004 |

The accompanying notes are an integral part of these financial statements

| Net (Expense) Revenue and Changes in Net Position | | | | | |
|---|------------------|--|-------------------------------|--------------------------------------|--|
| Business-Type Activities | Total | Richmond County Department of Health | Augusta Canal Authority | Downtown Development Authority | Augusta- Richmond County Coliseum Authority |
| \$ - | \$ (16,141,455) | \$ - | \$ - | \$ - | \$ - |
| - | (17,053,213) | - | - | - | - |
| - | (77,449,819) | - | - | - | - |
| - | (6,493,027) | - | - | - | - |
| - | (6,557,019) | - | - | - | - |
| - | (10,741,748) | - | - | - | - |
| - | (6,220,883) | - | - | - | - |
| - | (2,674,676) | - | - | - | - |
| - | (143,331,840) | - | - | - | - |
| (7,112,353) | (7,112,353) | - | - | - | - |
| 2,169,278 | 2,169,278 | - | - | - | - |
| (194,578) | (194,578) | - | - | - | - |
| 3,816,946 | 3,816,946 | - | - | - | - |
| (1,455,343) | (1,455,343) | - | - | - | - |
| (119,734) | (119,734) | - | - | - | - |
| 4,346,464 | 4,346,464 | - | - | - | - |
| 1,450,680 | 1,450,680 | - | - | - | - |
| \$ 1,450,680 | \$ (141,881,160) | \$ - | \$ - | \$ - | \$ - |
| \$ - | \$ - | \$ 1,191,425 | \$ - | \$ - | \$ - |
| - | - | - | (196,531) | - | - |
| - | - | - | - | (84,261) | - |
| - | - | - | - | - | (1,499,328) |
| - | - | 1,191,425 | (196,531) | (84,261) | (1,499,328) |
| - | 72,649,913 | - | - | - | - |
| - | 24,481,414 | - | - | - | - |
| - | 91,066,216 | - | - | - | - |
| - | 12,223,371 | - | - | - | - |
| - | 11,070,208 | - | - | - | 1,460,320 |
| 237,285 | 1,141,852 | 1,263 | 1,497 | 446 | 6,347 |
| 33,882 | 33,882 | - | 23,909 | - | 6,086 |
| 9,847,357 | - | - | - | - | - |
| 10,118,524 | 212,666,856 | 1,263 | 25,406 | 446 | 1,472,753 |
| 11,569,204 | 70,785,696 | 1,192,688 | (171,125) | (83,815) | (26,575) |
| 318,878,360 | 983,702,872 | 3,734,332 | 18,623,597 | 907,215 | 13,522,096 |
| \$ 330,447,564 | \$ 1,054,488,568 | \$ 4,927,020 | \$ 18,452,472 | \$ 823,400 | \$ 13,495,521 |

AUGUSTA, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2016**

| | General | Special Sales Tax Phase VI | Special Sales Tax Phase 7 | Fire Protection | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|-------------------------------|------------------------------|----------------------|-----------------------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 11,482,913 | \$ 61,633,174 | \$ 10,630,690 | \$ 122,046 | \$ 59,448,508 | \$ 143,317,331 |
| Investments | - | - | - | 17,142,391 | 24,295,991 | 41,438,382 |
| Taxes receivable | 4,289,168 | - | - | 640,170 | 2,576,511 | 7,505,849 |
| Accounts receivable | 3,940,089 | - | 3,519,962 | - | 12,695,685 | 20,155,736 |
| Interest receivable | - | - | - | - | 6,240 | 6,240 |
| Notes receivable | - | - | - | - | 2,891,569 | 2,891,569 |
| Due from other governments | 2,891,690 | - | - | - | 1,019,707 | 3,911,397 |
| Due from other funds | 14,788,243 | - | - | - | - | 14,788,243 |
| Due from component units | 56,613 | - | - | - | - | 56,613 |
| Prepaid expenditures | 740,140 | - | - | - | 118,483 | 858,623 |
| Inventory | 80,627 | - | - | - | - | 80,627 |
| Restricted cash | - | 1,050 | - | - | 33,276,961 | 33,278,011 |
| Advance to other funds | 4,456,908 | - | - | - | - | 4,456,908 |
| Total assets | <u>\$ 42,726,391</u> | <u>\$ 61,634,224</u> | <u>\$ 14,150,652</u> | <u>\$ 17,904,607</u> | <u>\$ 136,329,655</u> | <u>\$ 272,745,529</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 3,896,799 | \$ 699,995 | \$ 42,893 | \$ 887,634 | \$ 3,891,662 | \$ 9,418,983 |
| Accrued liabilities | 5,071,362 | 28,573 | 129,466 | 781,396 | 228,167 | 6,238,964 |
| Unearned revenue | 1,217,693 | - | - | - | 956,338 | 2,174,031 |
| Due to other funds | 22,656 | - | - | - | 18,325,102 | 18,347,758 |
| Total liabilities | <u>10,208,510</u> | <u>728,568</u> | <u>172,359</u> | <u>1,669,030</u> | <u>23,401,269</u> | <u>36,179,736</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue - intergovernmental | - | - | - | - | 5,147,951 | 5,147,951 |
| Unavailable revenue - notes receivable | - | - | - | - | 2,856,107 | 2,856,107 |
| Unavailable revenue - property taxes | 2,090,609 | - | - | 333,266 | 791,008 | 3,214,883 |
| Total deferred inflows of resources | <u>2,090,609</u> | <u>-</u> | <u>-</u> | <u>333,266</u> | <u>8,795,066</u> | <u>11,218,941</u> |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid expenditures | 740,140 | - | - | - | 118,483 | 858,623 |
| Inventory | 80,627 | - | - | - | - | 80,627 |
| Long-term notes receivable | - | - | - | - | 35,462 | 35,462 |
| Advances to other funds | 4,456,908 | - | - | - | - | 4,456,908 |
| Restricted for: | | | | | | |
| Judicial | - | - | - | - | 1,088,001 | 1,088,001 |
| Perpetual care | | | | | | |
| Expendable | - | - | - | - | 334,017 | 334,017 |
| Nonexpendable | - | - | - | - | 526,110 | 526,110 |
| Public safety | - | - | - | 15,902,311 | 5,217,227 | 21,119,538 |
| Public works | - | - | - | - | 8,246,484 | 8,246,484 |
| Culture and recreation | - | - | - | - | 13,166 | 13,166 |
| Housing and development | - | - | - | - | 2,182,281 | 2,182,281 |
| Capital outlay | - | 60,905,656 | 13,978,293 | - | 51,196,515 | 126,080,464 |
| Debt service | - | - | - | - | 28,824,599 | 28,824,599 |
| Committed to: | | | | | | |
| Public works | - | - | - | - | 2,652,177 | 2,652,177 |
| Public works - stormwater | - | - | - | - | 134,764 | 134,764 |
| Housing and development | - | - | - | - | 4,658,845 | 4,658,845 |
| Capital outlay | - | - | - | - | 8,756,566 | 8,756,566 |
| Assigned to: | | | | | | |
| Risk management | 3,400,000 | - | - | - | - | 3,400,000 |
| Unassigned | 21,749,597 | - | - | - | (9,851,377) | 11,898,220 |
| Total fund balances | <u>30,427,272</u> | <u>60,905,656</u> | <u>13,978,293</u> | <u>15,902,311</u> | <u>104,133,320</u> | <u>225,346,852</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 42,726,391</u> | <u>\$ 61,634,224</u> | <u>\$ 14,150,652</u> | <u>\$ 17,904,607</u> | <u>\$ 136,329,655</u> | <u>\$ 272,745,529</u> |

The accompanying notes are an integral part of these financial statements.

AUGUSTA, GEORGIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

DECEMBER 31, 2016

Amounts reported for governmental activities in the statement of net position are different because:

| | |
|---|-----------------------|
| Total fund balances - governmental funds | \$ 225,346,852 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 663,233,051 |
| Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds. | 11,218,941 |
| Net other post employment benefit obligation is not a financial liability in governmental fund activities and is therefore not reported in governmental funds. | (46,530,209) |
| Net pension liability included in governmental activities is not a financial liability and, therefore, is not reported in governmental funds. | (29,685,065) |
| Certain long-term liabilities are not due and payable in the current period and are therefore not reported in the funds. | (100,758,422) |
| Internal service funds are used by management to charge the cost of fleet management, insurance, and participation in the Georgia Municipal Association Certificates of Participation program to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | <u>1,215,856</u> |
| Net position of governmental activities | <u>\$ 724,041,004</u> |

The accompanying notes are an integral part of these financial statements.

AUGUSTA, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | General | Special Sales Tax Phase VI | Special Sales Tax Phase 7 | Fire Protection | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------------------------|--------------------------------------|----------------------------|--|---|
| Revenues | | | | | | |
| Property taxes | \$ 52,253,395 | \$ - | \$ - | \$ 8,092,149 | \$ 9,476,269 | \$ 69,821,813 |
| Franchise taxes | 24,481,414 | - | - | - | - | 24,481,414 |
| Sales taxes | 29,330,350 | 8,499,382 | 27,198,969 | - | 26,037,515 | 91,066,216 |
| Insurance premium taxes | - | - | - | 12,223,371 | - | 12,223,371 |
| Other taxes | 4,575,814 | - | - | 610,170 | 5,884,224 | 11,070,208 |
| Licenses and permits | 1,626,614 | - | - | - | 4,849,180 | 6,475,794 |
| Intergovernmental | 7,018,636 | - | - | - | 7,096,663 | 14,115,299 |
| Charges for services | 20,276,802 | - | - | 178,152 | 7,431,617 | 27,886,571 |
| Fines and forfeitures | 5,012,033 | - | - | - | 950,881 | 5,962,914 |
| Interest revenue | 436,552 | 181,556 | 11,303 | 36,334 | 320,148 | 985,893 |
| Other revenues | 1,232,798 | 21,405 | - | 1,500 | 451,056 | 1,706,759 |
| Total revenues | <u>146,244,408</u> | <u>8,702,343</u> | <u>27,210,272</u> | <u>21,141,676</u> | <u>62,497,553</u> | <u>265,796,252</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General government | 37,901,455 | - | - | - | 2,363,149 | 40,264,604 |
| Judicial | 19,424,233 | - | - | - | 764,199 | 20,188,432 |
| Public safety | 60,285,013 | - | - | 25,760,746 | 4,120,317 | 90,166,076 |
| Public works | 4,560,057 | - | - | - | 27,167,136 | 31,727,193 |
| Health and welfare | 2,366,803 | - | - | - | - | 2,366,803 |
| Culture and recreation | 13,459,396 | - | - | - | 1,445,034 | 14,904,430 |
| Housing and development | 1,478,483 | - | - | - | 13,212,944 | 14,691,427 |
| Intergovernmental payments | - | - | 4,200,000 | - | - | 4,200,000 |
| Capital outlay | - | 9,822,065 | 3,553,613 | - | 6,972,827 | 20,348,505 |
| Debt service: | | | | | | |
| Principal | - | - | - | - | 1,245,000 | 1,245,000 |
| Interest | - | - | - | - | 1,991,802 | 1,991,802 |
| Fiscal agent fees | - | - | - | - | 3,616 | 3,616 |
| Bond issuance cost | - | - | - | - | 366,193 | 366,193 |
| Total expenditures | <u>139,475,440</u> | <u>9,822,065</u> | <u>7,753,613</u> | <u>25,760,746</u> | <u>59,652,217</u> | <u>242,464,081</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>6,768,968</u> | <u>(1,119,722)</u> | <u>19,456,659</u> | <u>(4,619,070)</u> | <u>2,845,336</u> | <u>23,332,171</u> |
| Other financing sources (uses): | | | | | | |
| Issuance of debt | - | - | - | - | 26,115,000 | 26,115,000 |
| Premium on bonds issued | - | - | - | - | 2,763,951 | 2,763,951 |
| Proceeds from sale of assets | 212,931 | - | - | 1,461 | 5,922 | 220,314 |
| Transfers in | 2,326,810 | 658,658 | - | 6,256,866 | 9,669,093 | 18,911,427 |
| Transfers out | (5,895,118) | - | (5,478,366) | - | (17,385,300) | (28,758,784) |
| Total other financing sources (uses) | <u>(3,355,377)</u> | <u>658,658</u> | <u>(5,478,366)</u> | <u>6,258,327</u> | <u>21,168,666</u> | <u>19,251,908</u> |
| Net change in fund balances | <u>3,413,591</u> | <u>(461,064)</u> | <u>13,978,293</u> | <u>1,639,257</u> | <u>24,014,002</u> | <u>42,584,079</u> |
| Fund balance, beginning of year | <u>27,013,681</u> | <u>61,366,720</u> | <u>-</u> | <u>14,263,054</u> | <u>80,119,318</u> | <u>182,762,773</u> |
| Fund balance, end of year | <u>\$ 30,427,272</u> | <u>\$ 60,905,656</u> | <u>\$ 13,978,293</u> | <u>\$ 15,902,311</u> | <u>\$ 104,133,320</u> | <u>\$ 225,346,852</u> |

The accompanying notes are an integral part of these financial statements.

AUGUSTA, GEORGIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016**

Amounts reported for governmental activities in the statement of activities are different because:

| | |
|---|----------------------|
| Net change in fund balances - total governmental funds. | \$ 42,584,079 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. | 37,660,861 |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. | (350,543) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | 2,828,100 |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. | (27,417,845) |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | 3,720,810 |
| Internal service funds are used by management to charge the cost of fleet management, insurance, and participation in the Georgia Municipal Association Certificates of Participation program to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. | 191,030 |
| Change in net position of governmental activities | <u>\$ 59,216,492</u> |

The accompanying notes are an integral part of these financial statements.

**AUGUSTA, GEORGIA
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Budgeted Amounts | | | Variance with Final Budget | 2015 Actual |
|---|-------------------------|----------------------|----------------------|---|------------------------|
| | Original | Final | Actual | | |
| Revenues: | | | | | |
| Property taxes | \$ 51,488,010 | \$ 51,488,010 | \$ 52,253,395 | \$ 765,385 | \$ 52,104,322 |
| Franchise taxes | 25,238,380 | 25,238,380 | 24,481,414 | (756,966) | 24,880,891 |
| Sales taxes | 31,110,000 | 31,110,000 | 29,330,350 | (1,779,650) | 28,152,547 |
| Other taxes | 4,410,000 | 4,410,000 | 4,575,814 | 165,814 | 4,523,523 |
| Licenses and permits | 1,716,030 | 1,716,030 | 1,626,614 | (89,416) | 1,740,283 |
| Intergovernmental | 4,615,950 | 5,848,540 | 7,018,636 | 1,170,096 | 6,233,781 |
| Charges for services | 20,009,500 | 20,240,170 | 20,276,802 | 36,632 | 18,732,502 |
| Fines and forfeitures | 5,266,180 | 5,266,180 | 5,012,033 | (254,147) | 5,796,995 |
| Interest and penalties | 385,500 | 385,500 | 436,552 | 51,052 | 347,540 |
| Other revenues | 1,306,450 | 1,325,760 | 1,232,798 | (92,962) | 1,266,912 |
| Total revenues | 145,546,000 | 147,028,570 | 146,244,408 | (784,162) | 143,779,296 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 33,758,110 | 39,126,290 | 37,901,455 | 1,224,835 | 34,504,731 |
| Judicial | 20,820,600 | 20,063,430 | 19,424,233 | 639,197 | 19,642,181 |
| Public safety | 62,223,210 | 61,399,780 | 60,285,013 | 1,114,767 | 59,638,526 |
| Public works | 5,342,220 | 4,834,860 | 4,560,057 | 274,803 | 7,099,532 |
| Health and welfare | 2,400,100 | 2,537,890 | 2,366,803 | 171,087 | 2,341,192 |
| Culture and recreation | 13,993,150 | 13,975,410 | 13,459,396 | 516,014 | 13,493,941 |
| Housing and development | 1,641,670 | 1,629,970 | 1,478,483 | 151,487 | 1,519,054 |
| Total expenditures | 140,179,060 | 143,567,630 | 139,475,440 | 4,092,190 | 138,239,157 |
| Excess of revenues over expenditures | 5,366,940 | 3,460,940 | 6,768,968 | 3,308,028 | 5,540,139 |
| Other financing uses: | | | | | |
| Proceeds from the sale of assets | 220,000 | 220,000 | 212,931 | (7,069) | 190,823 |
| Transfers in | 2,271,240 | 2,262,240 | 2,326,810 | 64,570 | 2,319,076 |
| Transfers out | (6,733,180) | (6,733,180) | (5,895,118) | 838,062 | (5,374,165) |
| Total other financing uses | (4,241,940) | (4,250,940) | (3,355,377) | 895,563 | (2,864,266) |
| Net change in fund balances | 1,125,000 | (790,000) | 3,413,591 | 4,203,591 | 2,675,873 |
| Fund balance, beginning of year | 27,013,681 | 27,013,681 | 27,013,681 | - | 24,337,808 |
| Fund balance, end of year | <u>\$ 28,138,681</u> | <u>\$ 26,223,681</u> | <u>\$ 30,427,272</u> | <u>\$ 4,203,591</u> | <u>\$ 27,013,681</u> |

The accompanying notes are an integral part of these financial statements.

**AUGUSTA, GEORGIA
FIRE PROTECTION FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Budgeted Amounts | | | Variance with Final Budget | 2015 Actual |
|--|-------------------------|----------------------|----------------------|---|------------------------|
| | Original | Final | Actual | | |
| Revenues: | | | | | |
| Property taxes | \$ 7,785,470 | \$ 7,785,470 | \$ 8,092,149 | \$ 306,679 | \$ 7,922,764 |
| Insurance premium taxes | 11,849,000 | 11,849,000 | 12,223,371 | 374,371 | 11,284,618 |
| Other taxes | 610,170 | 610,170 | 610,170 | - | 542,720 |
| Charges for services | 175,510 | 176,260 | 178,152 | 1,892 | 159,343 |
| Interest and penalties | 25,000 | 25,000 | 36,334 | 11,334 | 25,880 |
| Other revenues | 2,500 | 2,500 | 1,500 | (1,000) | 6,509 |
| Total revenues | <u>20,447,650</u> | <u>20,448,400</u> | <u>21,141,676</u> | <u>693,276</u> | <u>19,941,834</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Public safety | <u>26,226,150</u> | <u>26,747,340</u> | <u>25,760,746</u> | <u>986,594</u> | <u>25,789,246</u> |
| Total expenditures | <u>26,226,150</u> | <u>26,747,340</u> | <u>25,760,746</u> | <u>986,594</u> | <u>25,789,246</u> |
| Deficiency of revenues under expenditures | <u>(5,778,500)</u> | <u>(6,298,940)</u> | <u>(4,619,070)</u> | <u>1,679,870</u> | <u>(5,847,412)</u> |
| Other financing sources: | | | | | |
| Proceeds from the sale of assets | - | - | 1,461 | 1,461 | 9,014 |
| Transfers in | <u>5,778,500</u> | <u>6,257,000</u> | <u>6,256,866</u> | <u>(134)</u> | <u>5,778,500</u> |
| Total other financing sources | <u>5,778,500</u> | <u>6,257,000</u> | <u>6,258,327</u> | <u>1,327</u> | <u>5,787,514</u> |
| Net change in fund balances | - | (41,940) | 1,639,257 | 1,681,197 | (59,898) |
| Fund balance, beginning of year | <u>14,263,054</u> | <u>14,263,054</u> | <u>14,263,054</u> | <u>-</u> | <u>14,322,952</u> |
| Fund balance, end of year | <u>\$ 14,263,054</u> | <u>\$ 14,221,114</u> | <u>\$ 15,902,311</u> | <u>\$ 1,681,197</u> | <u>\$ 14,263,054</u> |

The accompanying notes are an integral part of these financial statements.

AUGUSTA, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2016**

| | Water and Sewer System | Augusta Regional Airport | Garbage Collection | Stormwater | Nonmajor Enterprise Funds | Total | Internal Service Funds |
|---|------------------------------|--------------------------------|-----------------------|---------------------|---------------------------------|-----------------------|------------------------------|
| ASSETS | | | | | | | |
| CURRENT ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 11,040,710 | \$ 8,167,113 | \$ 12,721,814 | \$ 3,123,061 | \$ 24,186,782 | \$ 59,239,480 | \$ 5,183,677 |
| Investments | - | 584,354 | - | - | 329,009 | 913,363 | 13,823,885 |
| Accounts receivable, net of allowance | 21,815,273 | 944,233 | 3,731,948 | 1,492,279 | 3,198,393 | 31,182,126 | - |
| Interest receivable | - | 17,714 | - | - | 140 | 17,854 | - |
| Due from other funds | - | 22,656 | 33,784 | - | 17,674,655 | 17,731,095 | 1,337,580 |
| Due from other governments | - | 527,580 | - | - | - | 527,580 | - |
| Prepaid expenses | - | - | - | - | 21,402 | 21,402 | - |
| Inventory | 2,333,761 | 149,368 | - | - | 102,248 | 2,585,377 | - |
| Restricted cash | 85,403,207 | 14,739,799 | - | - | 4,066,665 | 104,209,671 | - |
| Restricted investments | - | 766,658 | - | - | - | 766,658 | - |
| Total current assets | <u>120,592,951</u> | <u>25,919,475</u> | <u>16,487,546</u> | <u>4,615,340</u> | <u>49,579,294</u> | <u>217,194,606</u> | <u>20,345,142</u> |
| NONCURRENT ASSETS | | | | | | | |
| Prepaid bond insurance | 1,487,137 | - | - | - | - | 1,487,137 | - |
| Prepaid bond interest | 9,655,507 | - | - | - | - | 9,655,507 | - |
| Advance to other funds | - | - | - | - | - | - | 1,327,482 |
| Other assets | - | - | - | - | - | - | 4,334,542 |
| Capital assets: | | | | | | | |
| Nondepreciable | 42,164,169 | 7,738,345 | 294,342 | 663,617 | 3,542,698 | 54,403,171 | - |
| Depreciable, net of accumulated depreciation | 529,795,756 | 61,761,608 | 5,348,491 | - | 39,136,644 | 636,042,499 | 4,420 |
| Total noncurrent assets | <u>583,102,569</u> | <u>69,499,953</u> | <u>5,642,833</u> | <u>663,617</u> | <u>42,679,342</u> | <u>701,588,314</u> | <u>5,666,444</u> |
| Total assets | <u>703,695,520</u> | <u>95,419,428</u> | <u>22,130,379</u> | <u>5,278,957</u> | <u>92,258,636</u> | <u>918,782,920</u> | <u>26,011,586</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | | |
| Pension | 1,391,088 | 534,705 | 81,848 | 221,807 | 178,923 | 2,408,371 | - |
| Deferred charges on refunding | 3,507,369 | - | - | - | - | 3,507,369 | - |
| Total deferred outflows of resources | <u>4,898,457</u> | <u>534,705</u> | <u>81,848</u> | <u>221,807</u> | <u>178,923</u> | <u>5,915,740</u> | <u>-</u> |
| LIABILITIES | | | | | | | |
| CURRENT LIABILITIES | | | | | | | |
| Payable from current assets: | | | | | | | |
| Accounts and retainage payable | 4,056,622 | 802,175 | 1,529,529 | 516,468 | 1,529,791 | 8,434,585 | 1,355,234 |
| Unearned revenue | - | - | - | - | - | - | 95,813 |
| Accrued expenses | 5,762,300 | 200,529 | 33,383 | 54,612 | 65,820 | 6,116,644 | 2,648,751 |
| Accrued interest | - | - | - | - | - | - | - |
| Due to primary government | - | - | - | - | - | - | - |
| Due to other funds | 13,466,856 | 1,633,159 | - | - | 409,145 | 15,509,160 | - |
| Capital lease payable - current portion | 1,153,659 | - | - | - | 188,764 | 1,342,423 | - |
| Notes payable - current portion | 3,486,993 | - | - | - | - | 3,486,993 | - |
| Compensated absences - current portion | 761,280 | 306,827 | 34,194 | 69,076 | 85,729 | 1,257,106 | - |
| | <u>28,687,710</u> | <u>2,942,690</u> | <u>1,597,106</u> | <u>640,156</u> | <u>2,279,249</u> | <u>36,146,911</u> | <u>4,099,798</u> |
| Payable from restricted assets: | | | | | | | |
| Bonds payable - current portion | 11,410,000 | 350,000 | - | - | 595,000 | 12,355,000 | - |
| | <u>11,410,000</u> | <u>350,000</u> | <u>-</u> | <u>-</u> | <u>595,000</u> | <u>12,355,000</u> | <u>-</u> |
| Total current liabilities | <u>40,097,710</u> | <u>3,292,690</u> | <u>1,597,106</u> | <u>640,156</u> | <u>2,874,249</u> | <u>48,501,911</u> | <u>4,099,798</u> |
| NONCURRENT LIABILITIES | | | | | | | |
| Advance from other funds | 410,235 | 618,696 | - | - | 4,755,459 | 5,784,390 | - |
| Capital lease payable - long term portion | 752,028 | - | - | - | 258,598 | 1,010,626 | - |
| Notes payable - long term portion | 14,060,069 | - | - | - | - | 14,060,069 | - |
| Bonds payable - long term portion | 472,198,041 | 11,095,943 | - | - | 7,296,454 | 490,590,438 | - |
| Net pension liability | 4,642,836 | 1,784,609 | 273,173 | 740,295 | 597,167 | 8,038,080 | - |
| Landfill postclosure care costs - long term portion | - | - | - | - | 21,041,499 | 21,041,499 | - |
| Certificates of participation | - | - | - | - | - | - | 16,888,000 |
| Total long term liabilities | <u>492,063,209</u> | <u>13,499,248</u> | <u>273,173</u> | <u>740,295</u> | <u>33,949,177</u> | <u>540,525,102</u> | <u>16,888,000</u> |
| Total liabilities | <u>532,160,919</u> | <u>16,791,938</u> | <u>1,870,279</u> | <u>1,380,451</u> | <u>36,823,426</u> | <u>589,027,013</u> | <u>20,987,798</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Deferred charge on refunding | 4,419,191 | - | - | - | - | 4,419,191 | - |
| Pension | 160,738 | 61,784 | 9,457 | 25,629 | 20,674 | 278,282 | - |
| Deferred revenue - effective hedge | - | - | - | - | - | - | 4,334,542 |
| Total deferred outflows of resources | <u>4,579,929</u> | <u>61,784</u> | <u>9,457</u> | <u>25,629</u> | <u>20,674</u> | <u>4,697,473</u> | <u>4,334,542</u> |
| NET POSITION | | | | | | | |
| Net investment in capital assets | 84,452,867 | 58,034,201 | 5,642,833 | 663,617 | 34,340,526 | 183,134,044 | 4,420 |
| Restricted for capital outlay | 60,237,585 | 14,186,499 | - | - | - | 74,424,084 | - |
| Restricted for debt service | 13,119,259 | 1,319,958 | - | - | 4,066,665 | 18,505,882 | - |
| Unrestricted | 14,043,418 | 5,559,753 | 14,689,658 | 3,431,067 | 17,186,268 | 54,910,164 | 684,826 |
| Total net position | <u>\$ 171,853,129</u> | <u>\$ 79,100,411</u> | <u>\$ 20,332,491</u> | <u>\$ 4,094,684</u> | <u>\$ 55,593,459</u> | <u>330,974,174</u> | <u>\$ 689,246</u> |
| Adjustment to reflect consolidation of internal service fund activities related to enterprise funds | | | | | | (526,610) | |
| Net position of business type activities | | | | | | <u>\$ 330,447,564</u> | |

The accompanying notes are an integral part of these financial statements.

AUGUSTA, GEORGIA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Water and Sewer System | Augusta Regional Airport | Garbage Collection | Stormwater | Nonmajor Enterprise Funds | Total | Internal Service Funds |
|---|---------------------------------------|---|-------------------------------|-------------------|--|----------------|---------------------------------------|
| OPERATING REVENUES | | | | | | | |
| Charges for services | \$ 91,054,955 | \$ 14,020,122 | \$ 19,373,658 | 13,663,554 | \$ 15,190,712 | \$ 153,303,001 | \$ 42,679,547 |
| Miscellaneous | 912,852 | 26,174 | 75,000 | - | 1,695,123 | 2,709,149 | 18,461 |
| Total operating revenues | 91,967,807 | 14,046,296 | 19,448,658 | 13,663,554 | 16,885,835 | 156,012,150 | 42,698,008 |
| OPERATING EXPENSES | | | | | | | |
| Personnel costs | 16,197,196 | 5,268,526 | 957,659 | 3,043,569 | 1,866,394 | 27,333,344 | 498,806 |
| Cost of sales and service | 8,569,950 | 2,842,501 | 16,255,263 | 3,585,163 | 6,104,207 | 37,357,084 | 4,877,971 |
| Supplies | 15,968,197 | 2,511,242 | 476,704 | 164,381 | 4,386,562 | 23,507,086 | 1,939,012 |
| Claims and damages | - | - | - | - | - | - | 4,603,007 |
| Administration | 9,278,381 | 356,830 | 1,512,425 | 2,422,419 | 1,449,053 | 15,019,108 | 30,672,813 |
| Depreciation expense | 28,964,019 | 3,145,824 | 441,046 | - | 3,562,423 | 36,113,312 | 545 |
| Miscellaneous | - | - | - | 104,660 | - | 104,660 | - |
| Total operating expenses | 78,977,743 | 14,124,923 | 19,643,097 | 9,320,192 | 17,368,639 | 139,434,594 | 42,592,154 |
| Operating income (loss) | 12,990,064 | (78,627) | (194,439) | 4,343,362 | (482,804) | 16,577,556 | 105,854 |
| NONOPERATING REVENUES (EXPENSES) | | | | | | | |
| Bond issuance expense | (376,378) | - | - | - | - | (376,378) | - |
| Gain on disposal of assets | 33,882 | - | - | - | - | 33,882 | (305,261) |
| Interest expense | (19,735,315) | (502,171) | - | - | (337,634) | (20,575,120) | (220,805) |
| Interest income | 40,194 | 30,885 | 30,009 | 1,322 | 134,875 | 237,285 | 317,820 |
| Total nonoperating revenues (expenses) | (20,037,617) | (471,286) | 30,009 | 1,322 | (202,759) | (20,680,331) | (208,246) |
| Income (loss) before contributions and transfers | (7,047,553) | (549,913) | (164,430) | 4,344,684 | (685,563) | (4,102,775) | (102,392) |
| CAPITAL CONTRIBUTIONS | - | 2,750,132 | - | - | 3,062,651 | 5,812,783 | - |
| TRANSFERS | | | | | | | |
| Transfers in | 5,000,000 | - | 1,408,860 | - | 3,688,497 | 10,097,357 | - |
| Transfers out | - | - | - | (250,000) | - | (250,000) | - |
| Total transfers | 5,000,000 | - | 1,408,860 | (250,000) | 3,688,497 | 9,847,357 | - |
| Change in net position | (2,047,553) | 2,200,219 | 1,244,430 | 4,094,684 | 6,065,585 | 11,557,365 | (102,392) |
| NET POSITION, beginning of year | 173,900,682 | 76,900,192 | 19,088,061 | - | 49,527,874 | | 791,638 |
| NET POSITION, end of year | \$ 171,853,129 | \$ 79,100,411 | \$ 20,332,491 | \$ 4,094,684 | \$ 55,593,459 | | \$ 689,246 |
| Adjustment to reflect consolidation of internal service fund activities related to enterprise funds | | | | | | 11,839 | |
| Change in net position of business type activities | | | | | | \$ 11,569,204 | |

The accompanying notes are an integral part of these financial statements.

AUGUSTA, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Water and Sewer System | Augusta Regional Airport | Garbage Collection | Stormwater | Nonmajor Enterprise Funds | Total | Internal Service Funds |
|---|---------------------------------------|---|-------------------------------|---------------------|--|-----------------------|---------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | | |
| Receipts from customers and users | \$ 87,902,273 | \$ 14,855,789 | \$ 19,352,740 | \$ 12,171,275 | \$ 6,671,740 | \$ 140,953,817 | \$ 43,085,083 |
| Payments to suppliers | (32,290,410) | (5,405,664) | (18,281,091) | (8,749,112) | (12,251,530) | (76,977,807) | (41,520,036) |
| Payments to employees | (16,610,757) | (5,441,318) | (934,877) | 613,193 | (1,936,927) | (24,310,686) | (501,663) |
| Net cash provided by (used in) operating activities | 39,001,106 | 4,008,807 | 136,772 | 4,035,356 | (7,516,717) | 39,665,324 | 1,063,384 |
| CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES | | | | | | | |
| Transfers in | - | - | 1,408,860 | - | 3,688,497 | 5,097,357 | - |
| Transfers out | 5,000,000 | - | - | (250,000) | - | 4,750,000 | - |
| Net cash provided by (used in) noncapital and related financing activities | 5,000,000 | - | 1,408,860 | (250,000) | 3,688,497 | 9,847,357 | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | | | |
| Acquisitions of capital assets | (22,824,404) | (1,096,704) | (1,176,344) | (663,617) | (2,704,247) | (28,465,316) | - |
| Proceeds from sale of capital assets | 1,927,157 | - | - | - | - | 1,927,157 | - |
| Proceeds from issuance of capital leases | 119,347 | - | - | - | - | 119,347 | - |
| Principal payments on capital leases | (976,354) | - | - | - | (199,609) | (1,175,963) | - |
| Principal payments on notes payable | (3,518,783) | - | - | - | - | (3,518,783) | - |
| Principal payments on bonds payable | (10,900,000) | - | - | - | (575,000) | (11,475,000) | - |
| Payments of bond issuance cost | - | (27,882) | - | - | - | (27,882) | - |
| Capital grants received | - | 2,750,132 | - | - | 3,062,651 | 5,812,783 | - |
| Interest paid | (20,829,339) | (502,171) | - | - | (355,936) | (21,687,446) | (220,805) |
| Net cash provided by (used in) capital and related financing activities | (57,002,376) | 1,123,375 | (1,176,344) | (663,617) | (772,141) | (58,491,103) | (220,805) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | |
| Purchase of investments | - | - | - | - | (3,102) | (3,102) | - |
| Proceeds from sale of investments | - | 2,121,653 | - | - | - | 2,121,653 | (420,666) |
| Interest received | 40,194 | 28,853 | 30,009 | 1,322 | 134,900 | 235,278 | 317,820 |
| Net cash provided by investing activities | 40,194 | 2,150,506 | 30,009 | 1,322 | 131,798 | 2,353,829 | (102,846) |
| Change in cash and cash equivalents | (12,961,076) | 7,282,688 | 399,297 | 3,123,061 | (4,468,563) | (6,624,593) | 739,733 |
| Cash and cash equivalents: | | | | | | | |
| Beginning of year | 109,404,993 | 15,624,224 | 12,322,517 | - | 32,722,010 | 170,073,744 | 4,443,944 |
| End of year | <u>\$ 96,443,917</u> | <u>\$ 22,906,912</u> | <u>\$ 12,721,814</u> | <u>\$ 3,123,061</u> | <u>\$ 28,253,447</u> | <u>\$ 163,449,151</u> | <u>\$ 5,183,677</u> |
| Classified as: | | | | | | | |
| Cash and cash equivalents | \$ 11,040,710 | \$ 8,167,113 | \$ 12,721,814 | \$ 3,123,061 | \$ 24,186,782 | \$ 59,239,480 | \$ 5,183,677 |
| Restricted cash | 85,403,207 | 14,739,799 | - | - | 4,066,665 | 104,209,671 | - |
| | <u>\$ 96,443,917</u> | <u>\$ 22,906,912</u> | <u>\$ 12,721,814</u> | <u>\$ 3,123,061</u> | <u>\$ 28,253,447</u> | <u>\$ 163,449,151</u> | <u>\$ 5,183,677</u> |

(Continued)

AUGUSTA, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Water and Sewer System | Augusta Regional Airport | Garbage Collection | Stormwater | Nonmajor Enterprise Funds | Total | Internal Service Funds |
|--|---------------------------------------|---|-------------------------------|---------------------|--|----------------------|---------------------------------------|
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | | | | |
| Operating income (loss) | \$ 12,990,064 | \$ (78,627) | \$ (194,439) | \$ 4,343,362 | \$ (482,804) | \$ 16,577,556 | \$ 105,854 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities | | | | | | | |
| Depreciation | 28,964,019 | 3,145,824 | 441,046 | - | 3,562,423 | 36,113,312 | 545 |
| Change in assets and liabilities: | | | | | | | |
| (Increase) decrease in accounts receivable | (2,273,804) | 932,406 | 48,540 | (1,492,279) | (1,509,764) | (4,294,901) | - |
| (Increase) decrease in due from other funds | - | - | (7,750) | - | (8,340,031) | (8,347,781) | 337,805 |
| Decrease in advance from other funds | - | - | - | - | - | - | 49,270 |
| Increase in due from other governments | - | (266,970) | - | - | - | (266,970) | - |
| Decrease in prepaid expenses | 295,742 | - | - | - | - | 295,742 | - |
| (Increase) decrease in inventory | 104,491 | (12,570) | - | - | 8,752 | 100,673 | - |
| Decrease in other assets | - | - | - | - | - | - | 829,787 |
| Increase in deferred outflows of resources-pension | (579,705) | (213,213) | (42,895) | (221,807) | (71,061) | (1,128,681) | - |
| Increase (decrease) in accounts payable | 1,125,885 | 308,234 | (43,545) | 516,468 | (93,003) | 1,814,039 | 391,270 |
| Increase (decrease) in accrued expenses | (7,105) | 9,245 | 6,846 | 54,612 | 6,338 | 69,936 | 82,827 |
| Increase in unearned revenue | - | - | - | - | - | - | 95,813 |
| Increase (decrease) in due to other funds | (1,967,888) | 21,855 | (136,708) | - | (16,670) | (2,099,411) | - |
| Increase (decrease) in advance to other funds | 176,158 | 122,202 | - | - | (581,425) | (283,065) | - |
| Increase (decrease) in deferred inflows of resources-pension | (243,740) | (98,481) | (9,961) | 25,629 | (33,094) | (359,647) | - |
| Increase in net pension liability | 371,716 | 92,275 | 68,122 | 740,295 | 29,381 | 1,301,789 | - |
| Decrease in deferred revenue - effective hedge | - | - | - | - | - | - | (829,787) |
| Increase in compensated absences | 45,273 | 46,627 | 7,516 | 69,076 | 4,241 | 172,733 | - |
| Net cash provided by (used in) operating activities | <u>\$ 39,001,106</u> | <u>\$ 4,008,807</u> | <u>\$ 136,772</u> | <u>\$ 4,035,356</u> | <u>\$ (7,516,717)</u> | <u>\$ 39,665,324</u> | <u>\$ 1,063,384</u> |
| NONCASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | | | |
| Principal payments on notes payable | \$ 2,241,709 | \$ - | \$ - | \$ - | \$ - | \$ 2,241,709 | \$ - |
| Interest paid | 214,271 | - | - | - | - | 214,271 | - |
| | <u>\$ 2,455,980</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,455,980</u> | <u>\$ -</u> |

The accompanying notes are an integral part of these financial statements.

AUGUSTA, GEORGIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2016**

| | Agency Funds | Pension Trust Funds | Private-purpose Trust Fund Joseph R. Lamar |
|---------------------------------|-------------------------|--------------------------------|---|
| ASSETS | | | |
| Cash | \$ 10,206,193 | \$ 2,281,318 | \$ 2,045 |
| Investments, at fair value: | | | |
| Government securities | - | 3,101,873 | 5,000 |
| Common stock | - | 52,680,735 | - |
| Mortgage backed securities | - | 4,311,482 | - |
| Mutual funds | - | 7,566,917 | - |
| Accounts receivable | - | 2,547,290 | - |
| Taxes receivable | 15,844,496 | - | - |
| Interest receivables | - | 31,815 | - |
| | <hr/> | <hr/> | <hr/> |
| Total assets | \$ 26,050,689 | \$ 72,521,430 | \$ 7,045 |
| | <hr/> | <hr/> | <hr/> |
| LIABILITIES | | | |
| Accounts payable | \$ 10,206,193 | \$ 2,447 | \$ - |
| Uncollected taxes | 15,844,496 | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total liabilities | 26,050,689 | 2,447 | - |
| | <hr/> | <hr/> | <hr/> |
| NET POSITION | | | |
| Restricted for pension benefits | - | 72,518,983 | - |
| Restricted for other purposes | - | - | 7,045 |
| | <hr/> | <hr/> | <hr/> |
| | \$ - | \$ 72,518,983 | \$ 7,045 |
| | <hr/> | <hr/> | <hr/> |

The accompanying notes are an integral part of these financial statements.

AUGUSTA, GEORGIA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | | Pension Trust Funds | Private-purpose Trust Fund Joseph R. Lamar |
|---|-------------------|--------------------------------|---|
| | ADDITIONS | | |
| Contributions: | | | |
| Employer | | \$ 4,674,068 | \$ - |
| Employee | | 134,131 | - |
| Total contributions | | <u>4,808,210</u> | <u>-</u> |
| Investment earnings: | | | |
| Interest | | 2,754 | 4 |
| Net increase in fair value of investments | | <u>4,688,878</u> | <u>-</u> |
| Net investment earnings | | <u>4,691,632</u> | <u>4</u> |
| Total additions | | <u>9,499,842</u> | <u>4</u> |
| | DEDUCTIONS | | |
| Benefits | | 9,400,293 | - |
| Administrative expenses | | <u>497,812</u> | <u>-</u> |
| Total deductions | | <u>9,898,105</u> | <u>-</u> |
| Change in net position | | (398,263) | 4 |
| NET POSITION, BEGINNING OF YEAR | | <u>72,917,246</u> | <u>7,041</u> |
| NET POSITION, END OF YEAR | | <u><u>\$ 72,518,983</u></u> | <u><u>\$ 7,045</u></u> |

The accompanying notes are an integral part of these financial statements.

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AUGUSTA, GEORGIA

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Augusta, Georgia (the "Government") is located in the east central section of the state on the south bank of the Savannah River, which serves as the boundary between Georgia and South Carolina. The Government is on the fall line and has a landscape dotted with foothills which descend to the coastal plain. The Government is the head of the navigation on the Savannah River and is 135 miles east of Atlanta, 127 miles northwest of the port of Savannah, and 72 miles southwest of Columbia, South Carolina. The Government is the trade center for 13 counties in Georgia and five in South Carolina, a section known as the Central Savannah River Area.

The Government was created by legislative act in the State of Georgia in 1995 from the unification of the two governments, the City of Augusta, Georgia and Richmond County, Georgia. On June 20, 1995, the citizens of Richmond County and the City of Augusta voted to consolidate into one government named Augusta, Georgia. The officials for the new government were elected and, based on the charter, took office on January 1, 1996. The unified government combined all functions and began financial operations January 1, 1996.

The Government is governed by a full-time Mayor, with a term of four years, and a 10-member Commission, who serve on a part-time basis and are elected to staggered terms of four years. The Mayor and Commission appoint an Administrator who serves as a full-time administrative officer and is responsible for the daily operations of the Government.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Government's accounting policies are described below.

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present Augusta, Georgia and its component units. The component units discussed below are included in the Government's reporting entity because of the significance of their operational or financial relationship with the Government.

Discretely Presented Component Units

The **Richmond County Department of Health (RCDH)** was established pursuant to an act of the General Assembly of the State of Georgia in 1955. The RCDH is governed by a 12-member board consisting of one member of the Augusta-Richmond County Commission. The Government provides financial support to the RCDH and appoints a majority of the members. The RCDH has a June 30 year-end. Separate financial statements for the RCDH can be obtained from its administrative office at 950 Laney Walker Blvd., Augusta, Georgia 30901.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The **Augusta Canal Authority** (Canal Authority) was established pursuant to an act of the General Assembly of the State of Georgia in 1989. The Canal Authority is governed by a 12-member board. The Government provides financial support to the Canal Authority and appoints a majority of the members. Separate financial statements for the Canal Authority can be obtained from its administrative office at 1450 Greene Street, Suite 400, Augusta, Georgia 30903.

The **Downtown Development Authority** (DDA) was established pursuant to the Downtown Development Authority Law (O.C.G.A. section 36-42-1, et seq. as amended with the power and authority to issue interest-bearing revenue bonds in accordance with the applicable provisions of the Revenue Bond Law of the State of Georgia O.C.G.A. Sections 38-82-60 through 38-82-85). The DDA is governed by a seven-member board consisting of one member of the Augusta-Richmond County Commission. The Government provides financial support to the DDA and appoints a majority of the members. Separate financial statements for the DDA can be obtained from its administrative office at 936 Broad Street, Suite 107, Augusta, Georgia 30901.

The **Augusta-Richmond County Coliseum Authority** (Coliseum Authority) was established pursuant to an act of the General Assembly of the State of Georgia in 1973. The Coliseum Authority is governed by a seven-member board. The Government appoints a majority of the members and the Coliseum Authority is fiscally dependent on the Government. The Coliseum Authority has a June 30 year-end. Separate financial statements for the Coliseum Authority can be obtained from the Civic Center, 601 Seventh St., Augusta, Georgia 30901.

Blended Component Units

The **Urban Redevelopment Agency** (URA) was established pursuant to a resolution adopted by the Augusta-Richmond County Commission April 1, 2010, activating the URA in accordance with the O.C.G.A. Chapter 61 Title 36; Section 36-61-17(b), "Urban Redevelopment Law". The URA is governed by a five-member board. The Government appoints a majority of the members and the URA is fiscally dependent on the Government and the URA's debt is expected to be repaid almost entirely from the resources of the Government. Separate financial statements for the URA are not prepared.

The **Augusta Port Authority** (Port Authority) was established pursuant to an act of the General Assembly of the State of Georgia in 1959. The Port Authority provides services exclusively to the Government. The mission of the Port Authority is to manage the resources and assets of the Savannah River and adjacent riverfront, to encourage and promote riverfront development, recreation, and tourism in the City of Augusta by way of economic development activities, events and special programs. The Port Authority is governed by a 12-member board. The Government provides financial support to the Port Authority and appoints a majority of the members. Separate financial statements for the Port Authority are not prepared.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

Richmond County Public Facilities, Inc. is a non-profit organization, tax exempt under Internal Revenue Code Section 501(c)(3). The purpose of this organization is to construct and maintain buildings and equipment to be leased by the Government, the Department of Family and Children Services, and the Richmond County Board of Education. Richmond County Public Facilities, Inc. is part of the reporting entity of Augusta, Georgia, due to the services provided being exclusively to the Government.

Richmond County Public Facilities, Inc. issued Certificates of Participation to provide funds for the Government to refund the 1990 Certificates of Participation issue and for certain capital projects. The related assets are included in the financial statements of the Government as part of governmental activities. The Certificates of Participation were retired during 2001.

Separate financial statements for Richmond County Public Facilities, Inc. are not prepared.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial* resources measurement focus and the *modified accrual* basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the Government.

The Government reports the following major governmental funds:

The **General Fund** is the Government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Special Sales Tax Phase VI Fund** accounts for the receipts and disbursements of the one percent (1%) sales tax approved by the taxpayers on June 16, 2009. Collections began January 1, 2011. The City of Augusta bonded \$30.5 million in 2009 and \$22 million in 2010 of the estimated \$184.7 million SPLOST. The revenue sources are sales tax and earned interest and expenditures will be primarily for the following: \$10 million dollars was returned to the general fund as a reimbursement for the one time use of general fund balance for the purchase and demolition of the Gilbert Manor Housing projects by the Medical College of Georgia for the expansion of MCG's dental school; \$18 million for renovations to the municipal building; \$17 million to replace emergency services vehicles; and \$10.9 million to parks and recreation. Of the estimated \$184.7 million, \$124 million will go towards infrastructure and \$60.7 million will go towards non infrastructure projects.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The ***Special Sales Tax Phase 7 Fund*** accounts for the receipts and disbursements of the one percent (1%) sales tax approved by the taxpayers on November 3, 2015. Collection began April 1, 2016. Augusta bonded of \$26,115,000 in 2016 of the estimated \$215,550,000. The revenue sources are sales tax and earned interest and expenditures will be primarily for the following: \$45.5 million for public safety, including \$7.5 million for three new fire stations, \$15 million for public safety vehicles and \$ 15 million for a new radio system; \$28 million for recreation and quality of life projects; \$11 million for general government projects; \$ 70.15 million for infrastructure and \$52.5 million for government facilities.

The ***Fire Protection Fund*** is used to account for the receipts and disbursements of tax revenues restricted for fire protection services in the unincorporated area only. The primary revenue source is ad valorem taxes, and the primary expenditures are for public safety.

The Government reports the following major business-type funds:

The ***Water and Sewer System Fund*** is used to account for the activity of providing water and sewer services to the residents of the Government. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, operations, maintenance, financing and related debt service, and billing and collection.

The ***Augusta Regional Airport Fund*** accounts for the operations of Augusta Regional Airport at Bush Field, the only airport within the County from which service from the major airlines is available.

The ***Garbage Collection Fund*** is used to account for receipt and expenses related to the Government's garbage collection contract.

The ***Stormwater Utility Fund*** is used to account for receipt and expenses related to the Stormwater Utility.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Additionally, the Government reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted to expenditure for specific purposes.

The ***capital project funds*** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The ***debt service funds*** are used to account for the accumulation of resources that are restricted and assigned for the payment of principal and interest on long-term debt.

The ***permanent fund*** accounts for the principal originally donated for the sale of perpetual care contracts at government-owned cemeteries after October 1, 1970. The principal must be maintained intact and invested.

The ***agency funds*** are used to account for the collection and disbursement of monies by the Government on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

The ***pension trust funds*** account for all activities of the Government's employees' pension plans.

The ***private purpose trust fund*** accounts for resources legally held in trust to finance awards for children attending Joseph R. Lamar School. The principal amount of the gift is to be maintained intact and invested. Investment earnings are used for the awards.

The ***internal service funds*** account for all activities related to the Government's risk management, employee health benefits, workers compensation, unemployment, long term disability insurance, fleet operations, and GMA leases.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services provided. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Cash Equivalents

The Government maintains a cash and investment pool in which the General Fund and all funds share. Each fund's portion of the pool is displayed on its respective balance sheet as cash and cash equivalents and includes non-pooled cash and investments separately held. Funds which have an excess of outstanding checks over bank balance have had these balances reclassified as a due to the General Fund for purposes of financial statement presentation. Interest income is allocated to each fund monthly based on its average monthly balance.

For the purposes of financial statement presentation, the Government considers all highly liquid investments (including funds held by the State Treasurer in the Georgia Fund 1 and restricted funds) purchased with an original maturity of three months or less, or with insignificant early withdrawal penalties, to be cash equivalents. The investment in the Georgia Fund 1 represents the Government's portion of a pooled investment account operated by the office of the State Treasurer. The pool consists of U.S. Treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is stated at fair value. Exceptions include the Government's pension plans which classify only cash as cash equivalents in order to appropriately report investment activity. Cash equivalents include amounts in certificates of deposit, repurchase agreements, and U.S. Treasury bills, and are stated at cost which approximates market. All deposits are stated at cost plus accrued interest, which reasonably estimates fair value.

The state statutes authorize the Government to invest in obligations of the United States government and agencies thereof, general obligations of the State of Georgia or any of its political subdivisions, or banks and savings and loan associations to the extent that they are secured by the Federal Deposit Insurance Corporation. Additionally, the Government does not consider investments maintained in the Georgia Extended Asset Pool (GEAP) to be cash equivalents due to the nature of the investments and their maturities.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Investments

Statutes authorize the Government to invest in U.S. Government obligations, U.S. Government agency obligations, State of Georgia obligations, and the Local Government Investment Pool of the State of Georgia (Georgia Fund 1). GEAP was created under the OCGA 36-83-8, but investments are restricted to those enumerated by OCGA 50-5A-7 and Chapter 17 of Title 50. GEAP is managed by the State of Georgia as a variable net asset value fund. GEAP is available to all public entities that have a minimum of \$1,000,000 in funds available for investment for a period of one (1) year or longer. The value of an investment in GEAP will fluctuate over time, and it is possible to lose money by investing in the fund. The pool also adjusts the value of its investments to fair value as of year-end. Investments in this fund are not guaranteed or insured by any bank, the FDIC, the State of Georgia or any other government agency.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair values.

In accordance with Official Code of Georgia Annotated Public Retirement System Investment Authority Law, Public Retirement Systems may invest in: 1) United States or Canadian corporations or their obligations, with limits as to the corporations' size and credit rating; 2) Repurchase and reverse repurchase agreements for direct obligations of the United States government and for obligations unconditionally guaranteed by agencies; 3) FDIC insured cash assets or deposits; 4) Bonds, notes, warrants, loans or other debt issued or guaranteed by the United States government; 5) Taxable bonds, notes, warrants or other securities issued and guaranteed by any state, the District of Columbia, Canada or any province in Canada; 6) Bonds, debentures, or other securities issued or insured or guaranteed by an agency, authority, unit, or corporate body created by the government of the United States of America; 7) Investment grade collateralized mortgage obligations; 8) Obligations issued, assumed or guaranteed by the International Bank for Reconstruction and Development or the International Financial Corporation; 9) Bonds, debentures, notes and other evidence of indebtedness issued, assumed, or guaranteed by any solvent institution existing under the laws of the United States of America or of Canada, or any state or province thereof, which are not in default and are secured to a certain level; 10) Secured and unsecured obligations issued by any solvent institution existing under the laws of the United States of America or of Canada, or any state or province thereof, bearing interest at a fixed rate, with mandatory principal and interest due at a specified time with additional limits; 11) Equipment trust obligations or interests in transportation equipment, wholly or in part within the United States of America, and the right to receive determinate portions or related income; 12) Loans that are secured by pledge or securities eligible for investment; 13) Purchase money mortgages or like securities received upon the sale or exchange of real property acquired; 14) Secured mortgages or mortgage participation, pass-through, conventional pass-through, trust certificate, or other similar securities with restrictions;

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Investments (Continued)

15) Land and buildings on such land used or acquired for use as a fund's office for the convenient transaction of its own business with restrictions; 16) Real property and equipment acquired under various circumstances.

Investments in the pension trust funds are reported at fair value. Cash deposits are reported at carrying amount which reasonably estimates fair value.

F. Short-Term Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

G. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both governmental-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

H. Inventory

Inventory in proprietary funds is valued at the lower of cost (first-in, first-out method) or market. Inventory in the General Fund, which is valued at cost (first-in, first-out method) consists of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Government as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. General infrastructure assets acquired prior to January 1, 2001, consist of the streets network that were acquired or that received substantial improvements subsequent to January 1, 1980. The streets network is reported at estimated historical cost using deflated replacement cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets is included as part of the capitalized value of the assets constructed. Interest in the amount of \$505,638 was capitalized during the year ending December 31, 2016.

Depreciation is provided on the straight-line method over the following estimated useful lives:

Primary Government

| | |
|----------------------------|---------------|
| Land and site improvements | 30 years |
| Vehicles | 5 years |
| Furniture and fixtures | 7 years |
| Machinery and equipment | 10 years |
| Buildings and improvements | 30 years |
| Water and Sewer systems | 30 - 70 years |
| Infrastructure | 30 years |

J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year the debt is issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on the issue are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences

The vacation policy of the Government provides for the accumulation of up to 43 days earned vacation leave with such leave being fully vested when earned. For the Government's government-wide financial statements and proprietary fund financial statements, an expense and a liability for compensated absences and the salary-related payments are recorded as leave is earned. The Government has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next year has been designated as a current liability in the government-wide financial statements.

No accrual has been established for accumulated sick leave of employees since it is the Government's policy to record the cost of sick leave only when it is used.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Government has two items that qualify for reporting in this category. The *deferred charge on refunding* is reported in the government-wide and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The *contributions* made by the Government to their pension plans before year end but subsequent to the measurement date of the Government's net pension liability are also reported as deferred outflows of resources.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Government has six types of items that qualify for reporting in this category. *Unavailable revenue* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and other receivables, and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. An *Effective hedge* is reported in the government-wide and internal service fund statements of net position. The effective hedge results from the change in market value of a swap agreement related to the certificates of participation. The amount is deferred and will mature on June 1, 2028, at the same time as the certificates of participation. *Deferred charge on refunding* is reported in the government-wide and governmental fund statements. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The other three items relate

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows / Inflows of Resources (Continued)

to the Government's defined benefit pension plans and are reported in the government-wide and proprietary fund Statements of Net Position, under the heading Pension. Experience differences result from periodic studies by the Government's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed. These experience differences are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in the actuarial assumptions which adjust the net pension liability are also recorded as deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between expected projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period.

M. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Government or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Augusta-Richmond County Commission through the adoption of a resolution. Only the Augusta-Richmond County Commission may modify or rescind the commitment or through resolution.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the Government's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Government has authorized the Administrator and Finance Director to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The Government reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Government's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Government's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

Net Position – Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the Government has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The Government applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “certain long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

| | |
|---|-------------------------|
| Accrued interest payable | \$ (749,879) |
| Bonds payable | (83,290,000) |
| Unamortized premium on bonds | (4,768,477) |
| Compensated absences | (5,599,553) |
| Claims and judgements payable | (6,350,513) |
| Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i> | <u>\$ (100,758,422)</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this difference are as follows:

| | |
|--|----------------------|
| Capital outlay | \$ 59,702,253 |
| Depreciation expense | (22,041,392) |
| Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ 37,660,861</u> |

Another element of that reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this difference are as follows:

| | |
|--|------------------------|
| Issuance of revenue bonds | \$ (26,115,000) |
| Premium on bond issuance | (2,763,951) |
| Amortization of bond premiums | 216,106 |
| Principal payments | |
| Bonds payable | <u>1,245,000</u> |
| Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ (27,417,845)</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this difference are as follows:

| | |
|--|---------------------|
| Accrued interest | \$ (308,362) |
| Compensated absences | (93,007) |
| Claims and judgements | 2,655,345 |
| Net pension liability | 5,671,964 |
| Net other postemployment benefit liability | <u>(4,205,130)</u> |
| Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ 3,720,810</u> |

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The Government generally follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budgetary hearings are held in August to discuss departmental budgets.
2. The Administrator presents the tentative budget to the Commission in October.
3. The permanent budget is legally adopted by the Commission prior to the start of the next year.
4. All budget revisions or changes must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts within operating categories within departments can be requested by department directors. Transfer of budget amounts involving capital outlay or salaries require approval of the Augusta-Richmond County Commission. The Augusta-Richmond County Commission must approve revisions that alter the total expenditures of any department or fund. Budgets for capital items may be re-appropriated in the ensuing year's budget. Departments may request for other budget items to be re-appropriated in the form of a budget adjustment, contingent upon the Commission's approval.
5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, and Debt Service Funds. Capital Projects Funds have project linked budgets.
6. Budgets for these funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

Budget information for expenditures represents the operating budget (as amended) as approved by the Augusta-Richmond County Commission.

B. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration for the General Fund, Special Revenue Funds, Debt Service and Capital Projects Funds. Encumbrances are recorded when purchase orders are issued, but are not considered expenditures until liabilities for payments are incurred. Encumbrances for outstanding purchase orders do not lapse at year end.

C. Excess Expenditures Over Appropriations

For the year ended December 31, 2016, the following special revenue funds had excess of actual expenditures over appropriations, which were funded by available fund balance:

| | <u>Excess</u> |
|---------------------------------------|---------------|
| Urban Services District | |
| General government | \$ (452,355) |
| Urban Development Action Grant | |
| Housing and development | (61,857) |
| Urban Redevelopment Agency | |
| Housing and development | (7,151) |

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CASH AND INVESTMENTS

Total deposits and investments as of December 31, 2016, are summarized as follows:

Amounts as presented on the entity-wide statement of net position:

| | |
|--------------------------------------|----------------|
| Cash and cash equivalents | \$ 207,740,488 |
| Investments | 56,175,630 |
| Restricted cash and cash equivalents | 137,487,682 |
| Restricted investments | 766,658 |

Amounts as presented on the fiduciary statement of net position:

| | |
|--|-----------------------|
| Cash and cash equivalents - Agency Fund | 10,206,193 |
| Cash and cash equivalents - Pension Trust Funds | 2,281,318 |
| Investments - Pension Trust Funds | 67,661,007 |
| Cash and cash equivalents - Private-purpose Trust Fund | 2,045 |
| Investments - Private-purpose Trust Fund | 5,000 |
| Total | \$ 482,326,021 |

| | |
|--|-----------------------|
| Cash deposited with financial institutions | \$ 357,717,726 |
| Investments held at financial institutions | 111,461,980 |
| Investments held by the State of Georgia | 13,146,315 |
| | \$ 482,326,021 |

As of December 31, 2016, the Government held the following investments (in thousands):

| Investment Type | Fair Value | Investment Maturities (in Years) | | | | | | | Rating |
|-----------------------------|-------------------|----------------------------------|-----------------|-----------------|------------------|---------------|---------------|-----------------|--------|
| | | Less than 1 | 1 - 5 | 6 - 10 | 11 - 15 | 16 - 20 | 21 - 25 | 26 - 30 | |
| Entity wide: | | | | | | | | | |
| Georgia Extended Asset Pool | \$ 13,146 | \$ 13,146 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | AA+f |
| Guaranteed Inv. Contract | 13,824 | - | - | - | 13,824 | - | - | - | AA- |
| Certificates of deposit | 29,972 | 29,249 | 723 | - | - | - | - | - | N/A |
| | <u>56,942</u> | <u>42,395</u> | <u>723</u> | <u>-</u> | <u>13,824</u> | <u>-</u> | <u>-</u> | <u>-</u> | |
| Pension Trust Funds: | | | | | | | | | |
| Government securities | \$ 3,102 | \$ - | \$ 1,471 | \$ 561 | \$ 614 | \$ - | \$ - | \$ 456 | AAA |
| Common stock | 52,681 | 52,681 | - | - | - | - | - | - | N/A |
| Mortgage backed securities | 4,311 | - | - | 945 | 146 | 100 | 285 | 2,835 | AA+ |
| Mutual funds | 7,567 | 7,567 | - | - | - | - | - | - | N/A |
| | <u>67,661</u> | <u>60,248</u> | <u>1,471</u> | <u>1,506</u> | <u>760</u> | <u>100</u> | <u>285</u> | <u>3,291</u> | |
| Private Purpose Trust Fund: | | | | | | | | | |
| Government securities | \$ 5 | \$ - | \$ - | \$ - | \$ 5 | \$ - | \$ - | \$ - | AA+ |
| | <u>5</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5</u> | <u>-</u> | <u>-</u> | <u>-</u> | |
| Total fair value | <u>\$ 124,608</u> | <u>\$ 102,643</u> | <u>\$ 2,194</u> | <u>\$ 1,506</u> | <u>\$ 14,589</u> | <u>\$ 100</u> | <u>\$ 285</u> | <u>\$ 3,291</u> | |

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CASH AND INVESTMENTS (CONTINUED)

Credit Risk. State statutes authorize the Government to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Interest Rate Risk. The Government's investment policy states that the Government will structure its portfolio to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to their maturity. The policy also emphasizes the purchase of shorter term or more liquid investments. The policy does not place formal limits on investment maturities.

Fair Value Measurements. The Government categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Government has the following recurring fair value measurements as of December 31, 2016:

| Investment | Level 1 | Level 2 | Level 3 | Fair Value |
|---|----------------------|---------------------|-------------|-----------------------|
| Equity stocks | \$ 52,680,735 | \$ - | \$ - | \$ 52,680,735 |
| Mutual funds | 7,566,917 | - | - | 7,566,917 |
| Governmental bonds | 3,111,873 | - | - | 3,111,873 |
| Mortgage backed securities | 910,624 | 3,395,858 | - | 4,306,482 |
| Total investments measured at fair value | <u>\$ 64,270,149</u> | <u>\$ 3,395,858</u> | <u>\$ -</u> | <u>\$ 67,666,007</u> |
| Investments not subject to level disclosure: | | | | |
| Georgia Extended Asset Pool | | | | 13,146,315 |
| Certificates of deposit | | | | 29,972,090 |
| Investments recorded at cost: | | | | |
| Guaranteed Investment Contract | | | | <u>13,823,883</u> |
| Total investments | | | | <u>\$ 124,608,295</u> |

The Government's investment in equity stocks, mutual funds, governmental bonds, and mortgage backed securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. The investments in mortgage backed securities classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued). The Georgia Extended Asset Pool (GEAP) is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose the investment in the GEAP within the fair value hierarchy.

The Guaranteed Investment Contract is a nonparticipating interest-earning investment contract and, accordingly, is recorded at cost.

Custodial Credit Risk – Deposits. The Government does not have a formal custodial credit risk policy. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2016, the Government did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

Custodial Credit Risk – Deposits – Component Units. As of June 30, 2016, the Department of Health did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements. As of December 31, 2016, the Downtown Development Authority did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements. As of December 31, 2016, the Canal Authority's bank balance of \$1,329,308, which \$579,308 was exposed to custodial credit risk as follows: \$80,328 was uninsured and uncollateralized; \$498,980 was uninsured and collateralized with securities held by the financial institution, by its trust department or agency, but not in the Canal Authority's name. As of June 30, 2016, the Coliseum Authority's bank balance of \$4,916,486, which \$4,166,486 was exposed to custodial credit risk as follows: \$3,521,173 was uninsured and collateralized by the financial institution in the Coliseum Authority's name and \$645,313 was uninsured and collateralized with securities held by the financial institution's trust department or agent, but not in the Coliseum Authority's name.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CASH AND INVESTMENTS (CONTINUED)

General Retirement and 1945 Pension Plans – Investments. The Plans' policy in regard to investments, including the allocation of invested assets, is established and may be amended by the Retirement Plans Management Committee by a majority vote of its members. The Plan is authorized to invest in obligations of the United States Treasury or its agencies and instrumentalities, collateralized mortgage obligations, asset and mortgage backed securities, taxable bonds that are obligations of any state and its agencies, instrumentalities, and political subdivisions, and in certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations. Additionally, the Plan is authorized to invest in common stocks, money market instruments, and corporate bonds and debentures, which are not in default as to principal and interest.

The Plans' investment policy adopts the following asset allocation mix to achieve the lowest level of risk for the Plan: Equity Securities 75% at market value, and Fixed Income Securities 25%.

General Retirement and 1945 Pension Plans – Credit and Interest Rate Risk – It is the Plan's policy to limit investments in common or preferred stock of a corporation to those corporations listed on one or more of the recognized national stock exchanges in the United States of America, or those traded on the NASDAQ National Market. The policy also limits stock investments to not more than 5% of the assets of any fund in common or preferred stock of any one issuing corporation. Domestic bonds are limited to those with ratings that meet or exceed investment grade as defined by Moody's, S&P, or Fitch. U.S. Government Treasuries and Agency bonds are not classified by credit quality. Corporate equities, international equities, and mutual funds invested in equities are also not classified by credit quality.

As of December 31, 2016, the General Retirement Plan and the 1945 Plan had \$62,133,042 and \$5,527,965, respectively, invested in the following types of investments as categorized by credit and interest rate risk:

| | Fair Value | Credit Quality | Weighted Average Maturity (years) |
|----------------------------|----------------------|----------------|--------------------------------------|
| Investment | | | |
| Common stock | \$ 52,680,735 | N/A | N/A |
| Government securities | 3,101,873 | AAA | 10.31 |
| Mortgage backed securities | 4,311,482 | AA+ | 27.48 |
| Mutual funds | 7,566,917 | N/A | N/A |
| | <u>\$ 67,661,007</u> | | |

NOTES TO FINANCIAL STATEMENTS

NOTE 4. CASH AND INVESTMENTS (CONTINUED)

General Retirement and 1945 Pension Plans – Concentration - On December 31, 2016, the Plans did not have debt or equity investments in any one organization, other than those issued by the U.S. Government, which represented greater than 5% of plan fiduciary net position.

General Retirement and 1945 Pension Plans – Rate of Return – For the year ended December 31, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for the General Retirement Plan and the 1945 Plan, was 6.2% and 7.1%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 5. RECEIVABLES

Receivables consisted of the following at December 31, 2016:

| | General | Special Special Sales Tax Phase VII | Fire Protection | Nonmajor Governmental Funds | Water and Sewer System |
|--------------------------------------|--------------------------------|---|-----------------------|-----------------------------------|------------------------------|
| Receivables: | | | | | |
| Taxes | \$ 5,011,219 | \$ - | \$ 763,407 | \$ 2,698,286 | \$ - |
| Accounts | 4,191,869 | 3,519,962 | - | 12,695,685 | 22,035,359 |
| Interest | - | - | - | 6,240 | - |
| Notes | - | - | - | 2,891,569 | - |
| Due from other governments | 2,891,690 | - | - | 1,019,707 | - |
| Gross receivables | 12,094,778 | 3,519,962 | 763,407 | 19,311,487 | 22,035,359 |
| Less allowance for uncollectibles | (973,831) | - | (123,237) | (121,775) | (220,086) |
| Net total receivable | <u>\$ 11,120,947</u> | <u>\$ 3,519,962</u> | <u>\$ 640,170</u> | <u>\$ 19,189,712</u> | <u>\$ 21,815,273</u> |
| | Augusta Regional Airport | Garbage Collection | Stormwater Utility | Nonmajor Enterprise Funds | Total |
| Receivables: | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ 8,472,912 |
| Accounts | 944,233 | 4,099,776 | 2,594,788 | 3,356,241 | 53,437,913 |
| Interest | 17,714 | - | - | 140 | 24,094 |
| Notes | - | - | - | - | 2,891,569 |
| Due from other governments | 527,580 | - | - | - | 4,438,977 |
| Gross receivables | 1,489,527 | 4,099,776 | 2,594,788 | 3,356,381 | 69,265,465 |
| Less allowance for uncollectibles | - | (367,828) | (1,102,509) | (157,848) | (3,067,114) |
| Net total receivable | <u>\$ 1,489,527</u> | <u>\$ 3,731,948</u> | <u>\$ 1,492,279</u> | <u>\$ 3,198,533</u> | <u>\$ 66,198,351</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES (CONTINUED)

Property taxes attached as an enforceable lien on property as of February 15, 2017. Property taxes were levied on September 13, 2016, and payable on or before November 15, 2016. The Government bills and collects its own property taxes. Property taxes levied for 2016 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the year ended December 31, 2016, and collected by February 28, 2017, are recognized as revenues in the year ended December 31, 2016. Net receivables estimated to be collected subsequent to February 28, 2017, are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually.

Notes receivable of the primary government consist of the Department of Housing and Urban Development's Housing Rehabilitation Program loans to individuals and owners. Financing has been provided by various federal and state grants.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the Government's governmental activities for the year ended December 31, 2016, was as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|--|----------------------|---------------|--------------|-----------|-------------------|
| Governmental Activities: | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 23,165,992 | \$ 100,000 | \$ - | \$ - | \$ 23,265,992 |
| Construction in progress | 203,425,736 | 56,975,956 | - | (99,959) | 260,301,733 |
| Total capital assets, not being depreciated | 226,591,728 | 57,075,956 | - | (99,959) | 283,567,725 |
| Capital assets, being depreciated: | | | | | |
| Land and site improvements | 29,930,218 | 5,765 | - | - | 29,935,983 |
| Buildings | 86,698,060 | 24,995 | - | - | 86,723,055 |
| Building improvements | 217,698,856 | 77,763 | - | - | 217,776,619 |
| Vehicles | 50,367,040 | 1,196,312 | (1,229,333) | - | 50,334,019 |
| Machinery and equipment | 23,934,219 | 431,246 | (684,468) | - | 23,680,997 |
| Information tech - hardware | 6,626,595 | 684,505 | (35,600) | 99,959 | 7,375,459 |
| Information tech - software | 5,429,480 | 205,711 | - | - | 5,635,191 |
| Furniture and fixtures | 5,043,913 | - | - | - | 5,043,913 |
| Infrastructure | 144,865,845 | - | - | - | 144,865,845 |
| Richmond County Public Facilities | 15,145,545 | - | - | - | 15,145,545 |
| Total capital assets, being depreciated | 585,739,771 | 2,626,297 | (1,949,401) | 99,959 | 586,516,626 |
| Less accumulated depreciation for: | | | | | |
| Land and site improvements | (7,805,281) | (1,896,144) | - | - | (9,701,425) |
| Buildings | (47,856,489) | (9,071,074) | - | - | (56,927,563) |
| Building improvements | (9,513,010) | (994,281) | - | - | (10,507,291) |
| Vehicles | (37,312,875) | (2,589,115) | 1,184,118 | - | (38,717,872) |
| Machinery and equipment | (15,498,103) | (1,426,085) | 378,595 | - | (16,545,593) |
| Information tech - hardware | (5,539,605) | (330,562) | 35,600 | - | (5,834,567) |
| Information tech - software | (4,445,178) | (465,501) | - | - | (4,910,679) |
| Furniture and fixtures | (1,891,217) | (455,334) | - | - | (2,346,551) |
| Infrastructure | (43,886,560) | (4,730,294) | - | - | (48,616,854) |
| Richmond County Public Facilities | (12,655,483) | (83,002) | - | - | (12,738,485) |
| Total accumulated depreciation | (186,403,801) | (22,041,392) | 1,598,313 | - | (206,846,880) |
| Total capital assets, being depreciated, net | 399,335,970 | (19,415,095) | (351,088) | 99,959 | 379,669,746 |
| Governmental activities capital assets, net | \$ 625,927,698 | \$ 37,660,861 | \$ (351,088) | \$ - | \$ 663,237,471 |

The above schedule includes the net book value of capital assets related to internal service funds as of December 31, 2016, of \$4,420.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the Government's business-type activities for the year ended December 31, 2016, was as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|--|----------------------|----------------|----------------|-------------|-------------------|
| Business-type Activities: | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 19,518,091 | \$ 19,812 | \$ - | \$ - | \$ 19,537,903 |
| Construction in progress | 29,781,967 | 15,171,147 | (1,893,275) | (8,194,571) | 34,865,268 |
| Total capital assets, not being depreciated | 49,300,058 | 15,190,959 | (1,893,275) | (8,194,571) | 54,403,171 |
| Capital assets, being depreciated: | | | | | |
| Site improvements | 15,519,781 | - | - | 223,179 | 15,742,960 |
| Building improvements | 2,924,630 | - | - | 148,422 | 3,073,052 |
| Landfill Cell IIC | 9,399,876 | - | - | - | 9,399,876 |
| Landfill Cell IIIC | 23,655,864 | - | - | - | 23,655,864 |
| Landfill Cell 2A | 3,595,731 | - | - | - | 3,595,731 |
| Buildings | 105,663,509 | 4,971,359 | - | 3,023,085 | 113,657,953 |
| Vehicles | 20,970,496 | 2,528,427 | (90,217) | - | 23,408,706 |
| Machinery and equipment | 41,556,182 | 947,898 | (85,900) | - | 42,418,180 |
| Furniture and fixtures | 1,508,094 | - | - | - | 1,508,094 |
| Water and sewerage system | 813,490,453 | 4,719,037 | - | 4,799,885 | 823,009,375 |
| Contributed water and sewerage system | 10,563,423 | - | - | - | 10,563,423 |
| Infrastructure | 42,333,481 | - | - | - | 42,333,481 |
| Information tech - hardware | 592,399 | 107,636 | - | - | 700,035 |
| Information tech - software | 948,993 | - | - | - | 948,993 |
| Total capital assets, being depreciated | 1,092,722,912 | 13,274,357 | (176,117) | 8,194,571 | 1,114,015,723 |
| Less accumulated depreciation for: | | | | | |
| Site improvements | (5,281,589) | (704,980) | - | - | (5,986,569) |
| Building improvements | (1,746,499) | (82,604) | - | - | (1,829,103) |
| Landfill Cell IIC | (9,399,876) | (1,202,602) | - | - | (10,602,478) |
| Landfill Cell IIIC | (5,806,512) | (374,456) | - | - | (6,180,968) |
| Landfill Cell 2A | (958,860) | (239,715) | - | - | (1,198,575) |
| Buildings | (53,341,206) | (2,858,897) | - | - | (56,200,103) |
| Vehicles | (16,663,191) | (1,010,486) | 90,217 | - | (17,583,460) |
| Machinery and equipment | (31,297,464) | (2,576,661) | 85,900 | - | (33,788,225) |
| Furniture and fixtures | (1,394,236) | (25,702) | - | - | (1,419,938) |
| Water and sewerage system | (286,133,713) | (25,607,719) | - | - | (311,741,432) |
| Contributed water and sewerage system | (8,995,098) | (167,172) | - | - | (9,162,270) |
| Infrastructure | (19,835,287) | (1,054,590) | - | - | (20,889,877) |
| Information tech - hardware | (348,504) | (93,889) | - | - | (442,393) |
| Information tech - software | (833,994) | (113,839) | - | - | (947,833) |
| Total accumulated depreciation | (442,036,029) | (36,113,312) | 176,117 | - | (477,973,224) |
| Total capital assets, being depreciated, net | 650,686,883 | (22,838,955) | - | 8,194,571 | 636,042,499 |
| Business-type activities capital assets, net | \$ 699,986,941 | \$ (7,647,996) | \$ (1,893,275) | \$ - | \$ 690,445,670 |

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|---|----------------------|
| Governmental activities: | |
| General government | \$ 902,287 |
| Judicial | 1,305,775 |
| Public safety | 6,133,438 |
| Public works | 5,749,443 |
| Health and welfare | 5,292,277 |
| Culture and recreation | 2,642,782 |
| Housing and development | 15,390 |
| Total depreciation expense - governmental activities | <u>\$ 22,041,392</u> |
| Business-type activities: | |
| Water and sewer system | \$ 28,964,019 |
| Augusta Regional Airport | 3,145,824 |
| Garbage collection | 441,046 |
| Waste management | 2,983,543 |
| Transit | 450,997 |
| Daniel Field Airport | 127,883 |
| Total depreciation expense - business-type activities | <u>\$ 36,113,312</u> |

Richmond County Department of Health

Capital asset activity for the Richmond County Department of Health for the fiscal year ended June 30, 2016, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|------------------|-------------|---------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 1,947,997 | \$ - | \$ - | \$ 1,947,997 |
| Total capital assets, not being depreciated | <u>1,947,997</u> | <u>-</u> | <u>-</u> | <u>1,947,997</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 9,981,306 | 71,486 | - | 10,052,792 |
| Improvements | 556,193 | - | - | 556,193 |
| Equipment | 751,526 | 271,200 | - | 1,022,726 |
| Vehicles | 118,958 | - | - | 118,958 |
| Total capital assets, being depreciated | <u>11,407,983</u> | <u>342,686</u> | <u>-</u> | <u>11,750,669</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | (3,765,537) | (256,072) | - | (4,021,609) |
| Improvements | (556,193) | - | - | (556,193) |
| Equipment | (611,461) | (28,609) | - | (640,070) |
| Vehicles | (108,426) | (2,423) | - | (110,849) |
| Total accumulated depreciation | <u>(5,041,617)</u> | <u>(287,104)</u> | <u>-</u> | <u>(5,328,721)</u> |
| Total capital assets, being depreciated, net | <u>6,366,366</u> | <u>55,582</u> | <u>-</u> | <u>6,421,948</u> |
| Department of Health capital assets, net | <u>\$ 8,314,363</u> | <u>\$ 55,582</u> | <u>\$ -</u> | <u>\$ 8,369,945</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Augusta Canal Authority

Capital asset activity for the Augusta Canal Authority for the year ended December 31, 2016, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|-------------------|-------------------|----------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 689,043 | \$ - | \$ - | \$ 689,043 |
| Land improvements | 592,276 | 235,769 | - | 828,045 |
| Construction in progress | 121,105 | 72,174 | (4,120) | 189,159 |
| Total capital assets, not being depreciated | <u>1,402,424</u> | <u>307,943</u> | <u>(4,120)</u> | <u>1,706,247</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 1,018,054 | - | - | 1,018,054 |
| Leasehold improvements | 4,248,749 | - | - | 4,248,749 |
| Boats | 707,620 | - | - | 707,620 |
| Vehicles | 56,121 | - | - | 56,121 |
| Machinery | 43,509 | - | - | 43,509 |
| Computer equipment | 15,525 | - | - | 15,525 |
| Office equipment | 3,799 | - | - | 3,799 |
| Furniture and fixtures | 32,676 | - | - | 32,676 |
| Infrastructure | 14,424,786 | 635,781 | - | 15,060,567 |
| Total capital assets, being depreciated | <u>20,550,839</u> | <u>635,781</u> | <u>-</u> | <u>21,186,620</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | (133,759) | (28,838) | - | (162,597) |
| Leasehold improvements | (1,892,455) | (166,393) | - | (2,058,848) |
| Boats | (336,283) | (28,938) | - | (365,221) |
| Vehicles | (38,020) | (3,771) | - | (41,791) |
| Machinery | (22,748) | (2,265) | - | (25,013) |
| Computer equipment | (6,379) | (3,105) | - | (9,484) |
| Office equipment | (526) | - | - | (526) |
| Furniture and fixtures | (32,051) | (100) | - | (32,151) |
| Infrastructure | (2,388,012) | (383,095) | - | (2,771,107) |
| Total accumulated depreciation | <u>(4,850,233)</u> | <u>(616,505)</u> | <u>-</u> | <u>(5,466,738)</u> |
| Total capital assets, being depreciated, net | <u>15,700,606</u> | <u>19,276</u> | <u>-</u> | <u>15,719,882</u> |
| Canal Authority capital assets, net | <u>\$ 17,103,030</u> | <u>\$ 327,219</u> | <u>\$ (4,120)</u> | <u>\$ 17,426,129</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Downtown Development Authority

Capital asset activity for the Downtown Development Authority for the year ended December 31, 2016, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|-------------|-----------|-------------------|
| Capital assets, being depreciated: | | | | |
| Port Royal parking deck | \$ 2,600,000 | \$ - | \$ - | \$ 2,600,000 |
| Furniture and equipment | 7,920 | - | - | 7,920 |
| Total capital assets, being depreciated | 2,607,920 | - | - | 2,607,920 |
| Less accumulated depreciation for: | | | | |
| Port Royal parking deck | (1,696,656) | (66,664) | - | (1,763,320) |
| Furniture and equipment | (7,920) | - | - | (7,920) |
| Total accumulated depreciation | (1,704,576) | (66,664) | - | (1,771,240) |
| Downtown Development Authority capital assets, net | \$ 903,344 | \$ (66,664) | \$ - | \$ 836,680 |

Augusta-Richmond County Coliseum Authority

Capital asset activity for the Augusta-Richmond County Coliseum Authority for the fiscal year ended June 30, 2016, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|--------------|-----------|-------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 1,674,426 | \$ - | \$ - | \$ 1,674,426 |
| Total capital assets, not being depreciated | 1,674,426 | - | - | 1,674,426 |
| Capital assets, being depreciated: | | | | |
| Building and facilities | 29,765,722 | 5,285 | - | 29,771,007 |
| Machinery, equipment and other | 1,916,292 | 29,917 | - | 1,946,209 |
| Total capital assets, being depreciated | 31,682,014 | 35,202 | - | 31,717,216 |
| Less accumulated depreciation for: | | | | |
| Building and facilities | (21,326,923) | (759,724) | - | (22,086,647) |
| Machinery, equipment and other | (1,629,717) | (73,094) | - | (1,702,811) |
| Total accumulated depreciation | (22,956,640) | (832,818) | - | (23,789,458) |
| Total capital assets, being depreciated, net | 8,725,374 | (797,616) | - | 7,927,758 |
| Coliseum Authority capital assets, net | \$ 10,399,800 | \$ (797,616) | \$ - | \$ 9,602,184 |

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity for the year ended December 31, 2016:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|-----------------------|----------------------|------------------------|-----------------------|------------------------|
| Governmental activities: | | | | | |
| Revenue bonds | \$ 58,420,000 | \$ - | \$ (1,245,000) | \$ 57,175,000 | \$ 1,275,000 |
| General obligation bonds | - | 26,115,000 | - | 26,115,000 | - |
| Deferred amounts: | | | | | |
| Unamortized discount | (54,902) | - | 11,374 | (43,528) | - |
| Unamortized premiums | 2,275,534 | 2,763,951 | (227,480) | 4,812,005 | - |
| Total bonds payable | 60,640,632 | 28,878,951 | (1,461,106) | 88,058,477 | 1,275,000 |
| Certificates of participation | 16,888,000 | - | - | 16,888,000 | - |
| Compensated absences | 5,506,546 | 5,191,338 | (5,098,331) | 5,599,553 | 5,599,553 |
| Claims and judgments | 9,005,858 | 1,499,188 | (4,154,533) | 6,350,513 | - |
| Net pension liability | 39,080,150 | 19,826,511 | (18,518,847) | 40,387,814 | - |
| Other post-employment benefit obligation | 42,325,079 | 4,205,130 | - | 46,530,209 | - |
| Governmental activities long-term liabilities | <u>\$ 173,446,265</u> | <u>\$ 59,601,118</u> | <u>\$ (29,232,817)</u> | <u>\$ 203,814,566</u> | <u>\$ 6,874,553</u> |
| Business-type activities: | | | | | |
| Revenue bonds | \$ 488,939,999 | \$ - | \$ (11,475,000) | \$ 477,464,999 | \$ 12,355,000 |
| Add deferred amounts | | | | | |
| Unamortized discounts | (759,972) | - | 45,328 | (714,644) | - |
| Unamortized premiums | 27,840,228 | - | (1,645,145) | 26,195,083 | - |
| Total bonds payable | 516,020,255 | - | (13,074,817) | 502,945,438 | 12,355,000 |
| Notes payable | 21,065,845 | - | (3,518,783) | 17,547,062 | 3,486,993 |
| Capital leases | 3,409,665 | 119,347 | (1,175,963) | 2,353,049 | 1,342,423 |
| Compensated absences | 1,084,373 | 1,141,524 | (968,791) | 1,257,106 | 1,257,106 |
| Net pension liability | 6,736,291 | 4,987,456 | (3,685,667) | 8,038,080 | - |
| Closure/postclosure liability | 21,041,499 | - | - | 21,041,499 | - |
| Business-type activities long-term liabilities | <u>\$ 569,357,928</u> | <u>\$ 6,248,327</u> | <u>\$ (22,424,021)</u> | <u>\$ 553,182,234</u> | <u>\$ 18,441,522</u> |

For governmental activities, compensated absences, claims and judgments, and net pension liability are generally liquidated by the General Fund. For business-type activities, compensated absences and net pension liability are liquidated by the related Proprietary Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Governmental Activities Debt

The Government issues bonds to provide funds for various projects. The bonds outstanding as of December 31, 2016, are as follows:

| | Interest Rate | Balance at December 31, 2016 |
|---|------------------|------------------------------------|
| Augusta-Richmond County Coliseum Authority, Series 2010 | 2% to 5% | \$ 17,190,000 |
| Municipal Building Renovation Project, Series 2014 | 2% to 5% | 28,500,000 |
| Laney Walker and Bethlehem Project, Series 2015 | .65% to 2% | 11,485,000 |
| | | <u>57,175,000</u> |
| Less: Unamortized discounts | | (43,528) |
| Add: Unamortized premium | | 4,812,005 |
| | | <u>\$ 61,943,477</u> |

Revenue Bonds

In September 2010, the Coliseum Authority issued \$22,120,000 of Augusta-Richmond County Coliseum Authority (Georgia) Revenue Bonds (Coliseum and TEE Center Project), Series 2010 (the "Series 2010 Bonds to: (1) finance certain capital improvements to the existing multi-use coliseum and civic center-type facility, the Augusta Entertainment Center Complex, to be owned and operated by the Coliseum Authority pursuant to an Intergovernmental Service Agreement between the Coliseum Authority and the Government, and (2) construct a new multi-use coliseum and civic center-type facility to be known as the Augusta Trade, Exhibition, and Event Center (TEE Center) to be sold by the Coliseum Authority to the Government pursuant to an Agreement of Sale. The Coliseum Authority will use \$5,000,000 of the proceeds from the sales of the Series 2010 Bonds for capital improvements of the Augusta Entertainment Center Complex. The remainder of the proceeds will be used to construct the TEE Center. The Series 2010 Bonds are special limited obligation debt of the Coliseum Authority payable solely from the hotel/motel tax payments made by the Government to the Coliseum Authority under the Intergovernmental Service Agreement and the Agreement of Sale (the Agreements). The Series 2010 Bond debt, its proceeds and the corresponding capital improvements to the Augusta Entertainment Center Complex and the TEE Center construction are reflected on the Government's financial statements. Under the terms of the Agreements, the Coliseum Authority will acquire the TEE Center site and authorize the Government to, on its behalf, construct and install the TEE Center Project and acquire equipment in the name of the Coliseum Authority. The real property and other required property interest for the construction of the improvements has been secured subject to revised deeds and related instruments being prepared based on "as built" surveys. Upon the completion of the surveys, final documents will be prepared and the premises will be conveyed to the Coliseum Authority as required by the Agreements. Upon completion of the TEE Center, the Coliseum Authority will sell the TEE Center to the Government for the entire balance of the Series 2010 Bond Obligation.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Governmental Activities Debt (Continued)

Revenue Bonds (Continued)

In August of 2014, the Urban Redevelopment Agency issued Revenue Bonds (Municipal Building Renovation Project, Series 2014). The proceeds of these bonds were used to finance the construction, renovation and expansion of various municipal buildings. Interest on the bonds is variable from 2% to 5%. Interest is payable semiannually on April 1 and October 1 of each year with principal payable annually beginning October 1, 2018, ranging from \$1,270,000 to \$2,125,000 through October 1, 2034.

In September of 2015, the Urban Redevelopment Agency issued Revenue Bonds (Laney Walker and Bethlehem Project, Series 2015). The proceeds of these bonds were used to refund the Laney Walker and Bethlehem Project, Series 2010 bonds and finance the costs of certain urban redevelopment projects. Interest on the bonds is variable from .65% to 2%. Interest is payable semiannually on April 1 and October 1 of each year with principal payable annually beginning October 1, 2016, ranging from \$355,000 to \$10,390,000 through October 1, 2020.

Annual debt service requirements to maturity for the revenue bonds as of December 31, 2016, are as follows:

| | Principal | Interest | Total |
|--------------------------|----------------------|----------------------|----------------------|
| Year ending December 31, | | | |
| 2017 | \$ 1,275,000 | \$ 1,962,169 | \$ 3,237,169 |
| 2018 | 2,575,000 | 1,931,119 | 4,506,119 |
| 2019 | 2,670,000 | 1,837,609 | 4,507,609 |
| 2020 | 12,755,000 | 1,765,719 | 14,520,719 |
| 2021 | 2,475,000 | 1,449,869 | 3,924,869 |
| 2022 - 2026 | 14,035,000 | 5,586,095 | 19,621,095 |
| 2027 - 2031 | 15,210,000 | 2,636,495 | 17,846,495 |
| 2032 - 2034 | 6,180,000 | 405,926 | 6,585,926 |
| | <u>\$ 57,175,000</u> | <u>\$ 17,575,001</u> | <u>\$ 74,750,001</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Governmental Activities Debt (Continued)

General Obligation Bonds

In December 2016, the Government issued sales tax bonds in the amount of \$26,115,000. The General Obligation Bonds, Series 2016, bear interest of 5% with final maturity in 2020. Proceeds of the bonds were used to: pay the cost of any one or more of the following capital outlay projects to be owned or operated or both by the Government, or by one or more local authorities pursuant to intergovernmental contracts with the Government: road, street, bridge, and drainage improvements; acquisition, improvement and renovation of administrative buildings; library and museum improvements and renovations; acquisition of renovated municipal building pursuant to an intergovernmental agreement with the Urban Redevelopment Agency of Augusta; public safety facilities, equipment, and vehicles; information technology; and parks, recreational and cultural facilities. The Government intends to make its payments under the contract from its portion of the revenues generated by sales and use tax and a direct annual ad valorem property tax; however, the Government's portion of the revenue from the taxes are not pledged to such payments or to secure the payment of the bonds.

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------|----------------------|---------------------|----------------------|
| Year ending December 31, | | | |
| 2017 | \$ - | \$ 1,037,346 | \$ 1,037,346 |
| 2018 | - | 1,035,750 | 1,035,750 |
| 2019 | 13,060,000 | 1,305,750 | 14,365,750 |
| 2020 | 13,055,000 | 352,750 | 13,407,750 |
| | <u>\$ 26,115,000</u> | <u>\$ 3,731,596</u> | <u>\$ 29,846,596</u> |

Certificates of Participation

In June 1998, the Government entered into a lease pool agreement with the Georgia Municipal Association (the "Association"). The funding of the lease pool was provided by the issuance of \$150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds through to the participating municipalities with the Government's participation totaling \$16,888,000. The lease pool agreement with the Association provides that the Government owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The Government draws from the investment to lease equipment from the Association. The lease pool agreement requires the Government to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Governmental Activities Debt (Continued)

Certificates of Participation (Continued)

Annual debt service requirements are as follows:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------|----------------------|---------------------|----------------------|
| Year ending December 31, | | | |
| 2017 | \$ - | \$ 802,180 | \$ 802,180 |
| 2018 | - | 802,180 | 802,180 |
| 2019 | - | 802,180 | 802,180 |
| 2020 | - | 802,180 | 802,180 |
| 2021 | - | 802,180 | 802,180 |
| 2022 - 2026 | - | 4,010,900 | 4,010,900 |
| 2027 - 2028 | 16,888,000 | 1,604,360 | 18,492,360 |
| | <u>\$ 16,888,000</u> | <u>\$ 9,626,160</u> | <u>\$ 26,514,160</u> |

As part of the issuance of the certificates of participation, the Government entered into an interest rate swap agreement. Under the Swap Agreement, the Government is required to pay (i) a semiannual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the Government a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (ii) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semiannual payments from the Swap Counterparty with respect to the Government are structured, and expected to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the Government, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the Government's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Governmental Activities Debt (Continued)

Certificates of Participation (Continued)

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the Government would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the Government executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa3 by Moody's. At December 31, 2016, the floating rate being paid by the Government is 1.03% and the market value of this agreement is \$4,334,542, a decrease of \$829,787 from the market value at the end of the previous year. The market value of the hedge was determined using settlement prices at the end of the day on December 31, 2016, based on the derivative contract. This market value is reported as an asset in GMA Leases Fund in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until year end) is deferred and reported as deferred inflow of resources in the statement of net position.

Business-type Activities Debt

Revenue Bonds

The Government issues bonds to provide funds for various projects. The revenue bonds outstanding as of December 31, 2016, are as follows:

| | <u>Interest Rate</u> | <u>Balance at December 31, 2016</u> |
|-------------------------------|--------------------------|---|
| Water and Sewer, Series 2007 | 4.00% to 5.00% | \$ 133,379,999 |
| Water and Sewer, Series 2012 | 3.00% to 5.00% | 138,830,000 |
| Water and Sewer, Series 2013 | 0.70% to 4.85% | 19,440,000 |
| Water and Sewer, Series 2014 | 3.00% to 4.50% | 167,515,000 |
| Airport, Series 2015 | 5.00% | 10,525,000 |
| Waste Management, Series 2004 | 3.00% to 4.00% | 625,000 |
| Waste Management, Series 2010 | 3.00% to 4.50% | 7,150,000 |
| | | <u>477,464,999</u> |
| Less: Unamortized discounts | | (714,644) |
| Add: Unamortized premium | | 26,195,083 |
| | | <u><u>\$ 502,945,438</u></u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business-type Activities Debt (Continued)

Revenue Bonds (Continued)

Descriptions of the bonds issued are provided below.

During the year ended December 31, 2007, the Government issued \$177,010,000 in Series 2007 Water and Sewerage Revenue Bonds. A portion of the proceeds from the sale of these bonds was used to refund all of the former Series 1996 and 1997 Water and Sewerage Revenue Bonds in the amount of \$56,875,000. The remaining portion of the bond proceeds of \$120,135,000 was used to advance refund a portion of the Series 2000 and 2002 Water and Sewerage Revenue Bonds. The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the 1996 and 1997 Bonds of approximately \$4,300,000. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to operations through the year 2030 using the effective-interest method. The refunding decreased the total debt service payments over the next 21 years by approximately \$5,600,000 and produced an economic gain of approximately \$3,700,000. The advance refunding of the 2000 and 2002 Bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately \$3,200,000. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through the year 2030 using the effective-interest method. The refunding decreased the total debt service payments over the next 23 years by approximately \$7,200,000 and produced an economic gain of approximately \$4,600,000. Proceeds of approximately \$126,793,000 from the defeased issues were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust fund with an escrow agency to provide for all future debt service payments on the above mentioned bonds. The bonds are due in annual installments of \$2,060,000 to \$12,260,000 plus interest at 4.0% to 5.0% through October 2030. The current outstanding amount of the debt was \$151,284,999 as of December 31, 2016.

During the year ended December 31, 2012, the Government issued \$138,830,000 in Series 2012 Water and Sewerage Revenue Refunding and Improvement Bonds for the purposes of: (1) refunding all of the Series 2002 Water and Sewerage Revenue Bonds, (2) financing the costs of making additions, extensions, and improvements to the water and sewer system, (3) funding a debt service reserve account for the 2012 Series Bonds, and (4) financing the costs of issuing the 2012 Series Bonds. The advance refunding of the 2002 series resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately \$600,000. The difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to increase expenses through the year 2033 using the effective-interest method. The refunding decreased the total debt service payments over the next 11 years by approximately \$78 million and produced an economic gain of approximately \$40 million. The bonds are due in annual installments of \$4,155,000 to \$20,095,000 plus interest at 3.0% to 5.0% through October 2042.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business-type Activities Debt (Continued)

Revenue Bonds (Continued)

During the year ended December 31, 2013, the Government issued \$22,070,000 in Series 2013 Water and Sewerage Revenue Bonds for the purposes of: (1) funding, in part, the debt service reserve account for the Prior Lien Bonds, (2) funding a debt service reserve for the Series 2013 Bonds and (3) paying the costs of issuance of the Series 2013 Bonds. Principal payments are due in annual installments commencing on October 1, 2014 through 2033. Interest payments are due in semi-annual installments on each April 1 and October 1 at varying rates between 0.7% and 4.85%.

During the year ended December 31, 2014, the Government issued \$169,180,000 in Series 2014 Water and Sewerage Revenue Refunding and Improvement Bonds for the purposes of: (1) refunding all of the Series 2004 Water and Sewerage Revenue Bonds, (2) financing the costs of making additions, extensions, and improvements to the water and sewer system, (3) funding a debt service reserve account for the 2014 Series Bonds, and (4) financing the costs of issuing the 2014 Series Bonds. The advance refunding of the 2004 series resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately \$4.9 million. The difference, reported in the accompanying financial statements as a deferred inflow of resources, is being charged to increase expenses through the year 2039 using the effective-interest method. The refunding decreased the total debt service payments over the next 11 years by approximately \$66.3 million and produced an economic gain of approximately \$33.1 million. The bonds are due in annual installments of \$820,000 to \$24,635,000 plus interest at 3.0% to 4.5% through October 2039.

The Airport General Revenue Refunding Bonds Series 2015A and 2015B are payable through 2035 primarily from Passenger Facility Charge No. 99-01-C-AGS approved by the Federal Aviation Administration in 2004. Should the proceeds of the Passenger Facility Charge not be sufficient to pay when due interest and principal on Series 2015A and 2015B bonds, the interest and principal shortfall will be paid from Airport Net General Revenues, derived by the Government from the ownership and operation of the Airport, remaining after the payment of expenses of operating, maintaining, and repairing the Airport ("Net General Revenues"), and those passenger facility charge revenues that are allocable to the 2005 Project ("PFC Revenues").

The Series 2015A bonds are payable in semi-annually interest only payments of 5.00% beginning January 1, 2016, and principal payable annually beginning January 2026 ranging from \$530,000 to \$825,000 through January 1, 2035. The Series 2015B bonds are payable in semi-annually interest only payments of 5.00% beginning January 1, 2016, and principal payable annually beginning January 2017 ranging from \$350,000 to \$515,000 through January 1, 2025.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business-type Activities Debt (Continued)

Revenue Bonds (Continued)

Pursuant to the Bond Resolution, the Augusta Regional Airport is subject to meeting certain financial covenants related to the Airport Revenue Bonds. The financial covenants include requirements to: (i) provide for 100% of the Expenses of Operation and Maintenance and for the accumulation in the Operation and Maintenance Reserve Fund of the Operating Reserve; and (ii) produce Net General Revenues, together with Other Available Moneys, in each year which will: (a) equal at least 125% of the Debt Service Requirement on all General Revenue Bonds then outstanding for the sinking fund year ending on the next January 1 and at least 100% of the debt service or other amounts payable on all Subordinate Bonds and Other Airport Obligations payable from Net General Revenues then outstanding for the year of computation, (b) enable the Aviation Commission to make all required payments, if any, into the Debt Service Reserve Account, the PFC Debt Service Reserve Account, the Rebate Fund, the Renewal and Replacement Fund and on any Contract or Other Airport Obligation, (c) enable the Aviation Commission to accumulate an amount to be held in the Capital Improvement Fund, which in the judgment of the Aviation Commission is adequate to meet the costs of major renewals, replacements, repairs, additions, betterments, and improvements to the Airport, necessary to keep the same in good operating condition or as is required by any governmental agency having jurisdiction over the Airport, and (d) remedy all deficiencies in required payments from the Revenue Fund from prior years. As of December 31, 2016, the Airport was in compliance with all covenants.

During the year ended December 31, 2004, the Government issued \$11,475,000 in Series 2004 Solid Waste Management Authority of Augusta Revenue Bonds for the purpose of paying all or a portion of the costs of improving and equipping the Government's municipal solid waste landfill. The bonds are due in annual installments of \$170,000 to \$1,700,000, starting December 1, 2005 through December 1, 2019, plus interest of 3.0% to 4.0% payable semi-annually on June 1 and December 1, beginning December 1, 2004. The Government intends to make its payments under the contract from its portion of the revenues generated by a direct annual ad valorem property tax; however, the Government's portion of the revenue from the taxes is not pledged to such payments or to secure the payment of the bonds.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business-type Activities Debt (Continued)

Revenue Bonds (Continued)

During the year ended December 31, 2010, the Government issued \$9,165,000 in Series 2010 Solid Waste Management Authority of Augusta Revenue Bonds for the purpose of paying all or a portion of the costs of improvements to the Government's solid waste and recycling facility, including improvements to the gas collection and control system and paying the cost of issuing the Series 2010 Bonds. Payments are due in annual installments of \$250,000 to \$660,000 starting October 1, 2011 through October 1, 2030, plus interest from 3.0% to 4.5% payable semi-annually on April 1 and October 1, beginning April 1, 2011. The Government intends to make its payments under the contract from its portion of the revenues generated by a direct annual ad valorem property tax; however, the Government's portion of the revenue from the taxes is not pledged to such payments or to secure the payment of the bonds.

Annual debt service requirements to maturity for the revenue bonds as of December 31, 2016, are as follows:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------|-----------------------|-----------------------|-----------------------|
| Year ending December 31, | | | |
| 2017 | \$ 12,355,000 | \$ 21,080,841 | \$ 33,435,841 |
| 2018 | 12,930,000 | 20,505,491 | 33,435,491 |
| 2019 | 13,540,000 | 19,893,604 | 33,433,604 |
| 2020 | 13,960,000 | 19,251,904 | 33,211,904 |
| 2021 | 14,615,000 | 18,581,423 | 33,196,423 |
| 2022 - 2026 | 84,240,000 | 81,726,613 | 165,966,613 |
| 2027 - 2031 | 103,924,999 | 59,916,070 | 163,841,069 |
| 2032 - 2034 | 106,920,000 | 37,757,825 | 144,677,825 |
| 2035 - 2041 | 99,265,000 | 13,710,075 | 112,975,075 |
| 2042 | 15,715,000 | 550,025 | 16,265,025 |
| | <u>\$ 477,464,999</u> | <u>\$ 292,973,871</u> | <u>\$ 770,438,870</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business-type Activities Debt (Continued)

Notes payable

The Government has incurred debt to the U.S. Army – Fort Gordon Garrison Command for the purchase of the water and sewer system and to the Georgia Environmental Finance Authority for improvements to the water and sewer system. These notes are as follows at December 31, 2016:

| <u>Purpose</u> | <u>Original Amount</u> | <u>Interest Rate</u> | <u>Due Date</u> | <u>December 31, 2016</u> |
|------------------------------|----------------------------|--------------------------|-------------------------|------------------------------|
| Fort Gordon asset purchase | \$ 19,196,880 | 5.11% | 2018 | \$ 2,967,829 |
| Water and sewer improvements | 6,553,217 | 4.00% | 2019 | 1,237,814 |
| Water and sewer improvements | 8,040,345 | 3.00% | 2031 | 6,314,145 |
| Water and sewer improvements | 8,250,814 | 3.00% | 2035 | 7,027,274 |
| | | | | <u>17,547,062</u> |
| | | | Less current maturities | (3,486,993) |
| | | | | <u>\$ 14,060,069</u> |

Notes payable debt service requirements to maturity are as follows as of December 31, 2016:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------|----------------------|---------------------|----------------------|
| Year ending December 31, | | | |
| 2017 | \$ 3,486,993 | \$ 530,760 | \$ 4,017,753 |
| 2018 | 1,775,501 | 403,718 | 2,179,219 |
| 2019 | 1,087,401 | 354,980 | 1,442,381 |
| 2020 | 758,665 | 325,540 | 1,084,205 |
| 2021 | 781,741 | 302,464 | 1,084,205 |
| 2022 - 2026 | 4,280,160 | 1,140,862 | 5,421,022 |
| 2027 - 2031 | 4,747,831 | 450,234 | 5,198,065 |
| 2032 - 2033 | 628,770 | 11,853 | 640,623 |
| | <u>\$ 17,547,062</u> | <u>\$ 3,520,411</u> | <u>\$ 21,067,473</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business-type Activities Debt (Continued)

Capital Leases

The Government has entered into lease agreements as lessee for financing the acquisition of various equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is an analysis of leased assets under capital leases as of December 31, 2016:

| | Business-type Activities |
|--------------------------------|-------------------------------------|
| Equipment | \$ 9,862,550 |
| Less: Accumulated depreciation | (7,495,770) |
| | <u>\$ 2,366,780</u> |

The above includes current year depreciation expense of leased assets under capital lease of \$977,464.

The following is a schedule of future minimum lease payments together with the present value of net minimum lease payments as of December 31, 2016:

| | Business-type Activities |
|--|-------------------------------------|
| Fiscal year ending December 31, | |
| 2017 | \$ 1,387,331 |
| 2018 | 707,772 |
| 2019 | 320,127 |
| 2020 | 23,979 |
| Total minimum lease payments | <u>2,439,209</u> |
| Less amount representing interest | (86,160) |
| Present value of future minimum lease payments | <u>\$ 2,353,049</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business-type Activities Debt (Continued)

Landfill Postclosure Care Cost

State and Federal laws and regulations require the Government to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$21,041,499 as of December 31, 2016, which is based on 92.95% usage (filled) of Cell II C and 8.79% usage (filled) of Cell III, which are operating currently, and 100% usage (filled) of Cells II A and II B. This liability is recorded in the Waste Management Enterprise Fund. It is estimated that an additional \$8,366,605 be recognized as closure and postclosure care expenses between the date of the statement of net position and the date the landfills are expected to be filled to capacity, which is in 2017 and 2140, respectively. The estimated total current cost of the landfill closure and postclosure care, \$29,408,104 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2016. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The Government expects to finance the costs for the estimated landfill closure and postclosure care costs as they become due during the coming 30 years through the regular operations of the Government.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Units

Richmond County Department of Health

Long-term debt activity for the Richmond County Department of Health for the fiscal year ended June 30, 2016, was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|----------------------|-------------------|---------------------|---------------------|------------------------|
| Capital leases | \$ 125,772 | \$ - | \$ (57,741) | \$ 68,031 | \$ 61,915 |
| Net pension liability | 7,779,532 | 324,479 | - | 8,104,011 | - |
| Compensated absences | 462,205 | 294,980 | (287,372) | 469,813 | 300,680 |
| Department of Health long-term liabilities | <u>\$ 8,367,509</u> | <u>\$ 619,459</u> | <u>\$ (345,113)</u> | <u>\$ 8,641,855</u> | <u>\$ 362,595</u> |

Capital Leases

The Department of Health has entered into a long-term lease agreement for a building. The lease agreement qualifies as a capital lease for accounting purposes (title transfer at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The following is an analysis of the leased asset under capital lease as of June 30, 2016:

| | |
|--------------------------------|-------------------|
| Buildings | \$ 600,000 |
| Less: Accumulated depreciation | (155,625) |
| | <u>\$ 444,375</u> |

The above includes current year depreciation expense of leased assets under capital lease of \$22,500.

The following is a schedule of future minimum lease payments together with the present value of net minimum lease payments as of June 30, 2016:

| | |
|--|------------------|
| 2017 | 64,716 |
| 2018 | 17,024 |
| Total minimum lease payments | <u>81,740</u> |
| Less amount representing interest | (13,709) |
| Present value of future minimum lease payments | <u>\$ 68,031</u> |

-

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Units (Continued)

Augusta Canal Authority

Long-term debt activity for the Augusta Canal Authority for the year ended December 31, 2016, was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|----------------------|------------------|--------------------|-------------------|------------------------|
| Compensated absences | \$ 46,490 | \$ 37,537 | \$ (33,431) | \$ 50,596 | \$ 50,596 |
| Augusta Canal Authority long-term liabilities | <u>\$ 46,490</u> | <u>\$ 37,537</u> | <u>\$ (33,431)</u> | <u>\$ 50,596</u> | <u>\$ 50,596</u> |

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2016, is as follows:

Due to/from other funds:

| Receivable Fund | Payable Fund | Amount |
|------------------------------------|-----------------------------|----------------------|
| General | Nonmajor Governmental Funds | \$ 303,777 |
| General | Water and Sewer System | 13,039,088 |
| General | Augusta Regional Airport | 1,445,378 |
| Nonmajor Enterprise Funds | General Fund | 27,730 |
| Augusta Regional Airport | General Fund | 22,656 |
| Garbage Collection | Nonmajor Enterprise Funds | 33,784 |
| Nonmajor Enterprise Funds | Nonmajor Governmental Funds | 17,646,925 |
| Internal Service Fund - GMA Leases | Nonmajor Governmental Funds | 374,400 |
| Internal Service Fund - GMA Leases | Water and Sewer System | 427,768 |
| Internal Service Fund - GMA Leases | Augusta Regional Airport | 187,781 |
| Internal Service Fund - GMA Leases | Nonmajor Enterprise Funds | 347,631 |
| | | <u>\$ 33,856,918</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Advances to/from other funds:

| Receivable Fund | Payable Fund | Amount |
|------------------------------------|---------------------------|---------------------|
| General Fund | Nonmajor Enterprise Funds | \$ 4,456,908 |
| Internal Service Fund - GMA Leases | Water and Sewer System | 410,235 |
| Internal Service Fund - GMA Leases | Augusta Regional Airport | 618,696 |
| Internal Service Fund - GMA Leases | Nonmajor Enterprise Funds | 298,551 |
| | | <u>\$ 5,784,390</u> |

Due to/from component units:

| Receivable Entity | Payable Entity | Amount |
|-------------------|-------------------------|------------------|
| General Fund | Augusta Canal Authority | <u>\$ 56,613</u> |

These balances resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Advances to/from other funds represent amounts not expected to be repaid within one year from the date of the financial statements.

The composition of interfund transfers during the year ended December 31, 2016, were as follows:

| Transfer To | Transfer From | | | | Total |
|-----------------------------|---------------------|---------------------------------|-----------------------|-----------------------------------|----------------------|
| | General | Special Sales Tax Phase 7 | Stormwater Utility | Nonmajor Governmental Funds | |
| General | \$ - | \$ - | \$ - | \$ 2,326,810 | \$ 2,326,810 |
| Garbage Collection | - | - | 250,000 | 1,158,860 | 1,408,860 |
| SPLOST VI | - | - | - | 658,658 | 658,658 |
| Fire Protection | - | 478,366 | - | 5,778,500 | 6,256,866 |
| Water and Sewer | - | 5,000,000 | - | - | 5,000,000 |
| Nonmajor Governmental Funds | 2,656,621 | - | - | 7,012,472 | 9,669,093 |
| Nonmajor Enterprise Funds | 3,238,497 | - | - | 450,000 | 3,688,497 |
| Total | <u>\$ 5,895,118</u> | <u>\$ 5,478,366</u> | <u>\$ 250,000</u> | <u>\$ 17,385,300</u> | <u>\$ 29,008,784</u> |

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) to transfer funds from Special Sales Tax Phase VI Fund to Fire Protection Fund and Water and Sewer Fund to pay for approved projects in resolution.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS

A. Primary Government

1945 Plan

Plan Description

Plan administration. The 1945 Plan (the "1945 Plan"), a single-employer defined benefit pension plan, was available to all former Richmond County employees hired prior to October 1, 1975, that met the Plan's age and length of service requirements. The Pension and Audit Committee makes recommendations for changes to the 1945 Plan to the Augusta-Richmond County Commission which has the authority to amend the 1945 Plan document. The committee is comprised of the Augusta-Richmond County Commission Mayor, Mayor Pro-Tem, the Chairman of the Augusta-Richmond County Commission Finance Committee, the Government's Administrator, and the Government's Finance Director.

The Plan was created by resolution of the Richmond County Board of Commissioners in March 1945. In February 2001, the Augusta-Richmond County Commission, as successor to the Richmond County Board of Commissioners, approved the restatement of the 1945 Plan effective January 1, 1997. This is a closed retirement plan (new employees may not participate in the Plan). The 1945 Plan does not issue a stand-alone financial statement report.

Plan membership. At December 31, 2016, pension plan membership consisted of the following:

| | |
|----------------------------|-------|
| Active participants | 2 |
| Retirees and beneficiaries | 21 |
| | <hr/> |
| | 23 |
| | <hr/> |

Benefits provided. Participants in the Plan who retired at or after age 60 are entitled to a monthly benefit equal to 2% of average earnings multiplied by years of service. The Plan provides death and disability benefits. These benefit provisions and all other requirements including amendments are established by Government ordinance. The Plan also provides for reduced benefits if the participant elects to retire after attaining age 50 and completing 15 years of service.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

1945 Plan (Continued)

Plan Description (Continued)

Contributions. Employees are required to make contributions to the 1945 Plan equal to 5% of earnings. The Government is required to contribute the remaining amounts necessary to fund the 1945 Plan. The contribution amount is determined using actuarial methods and assumptions approved by the trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. Administrative costs of the 1945 Plan are financed through investment income. If a participant terminates employment prior to completion of 10 years of credited service, the participant receives a lump-sum amount equal to his total contributions to the 1945 Plan, with 5% interest computed from January 1, 1997. After completion of at least 10 years of credited service, the participant receives a monthly benefit deferred to his normal retirement date, equal to the benefit computed as for normal retirement multiplied by the percentage based on completed years of credited service, as follows: 50% after 10 years, increasing 10% each year to 100% after 15 years of credited service. For the year ended December 31, 2016, the active member contribution rate was 5.0% of annual pay, and the Government's contribution rate was 170.2% of annual payroll.

Net Pension Liability of the Government

The Government's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.0% |
| Salary increases | 3.0% on average, including inflation |
| Investment rate of return | 7.25 %, net of pension plan investment expense |

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

1945 Plan (Continued)

Net Pension Liability of the Government (Continued)

All actuarial assumptions were reviewed prior to the preparation of the December 31, 2016, valuation. As a very significant portion of the actuarial liability is attributable to inactive lives, the two assumptions (investment return and mortality table) that have the most significant impact on the liabilities were revised to reflect the actuary's anticipated future experience of the plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2016, are: Equity Securities – 6% and Fixed Income Securities – 2.5%.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Government contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

1945 Plan (Continued)

Net Pension Liability of the Government (Continued)

Changes in the Net Pension Liability of the Government. The changes in the components of the net pension liability of the Government for the year ended December 31, 2016, were as follows:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| Balances at 12/31/15 | \$ 8,204,147 | \$ 6,185,751 | \$ 2,018,396 |
| Changes for the year: | | | |
| Service cost | - | - | - |
| Interest | 586,898 | - | 586,898 |
| Difference between expected and actual experience | (388,216) | - | (388,216) |
| Contributions—employer | - | 242,708 | (242,708) |
| Contributions—employee | - | 7,121 | (7,121) |
| Net investment income | - | 260,609 | (260,609) |
| Benefit payments, including refunds of employee contributions | (757,676) | (757,676) | - |
| Other | (483,086) | - | (483,086) |
| Net changes | <u>(1,042,080)</u> | <u>(247,238)</u> | <u>(794,842)</u> |
| Balances at 12/31/16 | <u>\$ 7,162,067</u> | <u>\$ 5,938,513</u> | <u>\$ 1,223,554</u> |

The Plan's fiduciary net position as a percentage of the total pension liability 82.9%

The required schedule of changes in the Government's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

1945 Plan (Continued)

Net Pension Liability of the Government (Continued)

Sensitivity of the net pension liability to changes in the discount rate. The following table presents the net pension liability of the Government, calculated using the discount rate of 7.25%, as well as what the Government's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

| 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|--------------------------------|--|--------------------------------|
| \$ 1,716,300 | \$ 1,223,554 | \$ 788,058 |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2016, and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2016, the Government recognized pension expense of (\$594,619). At December 31, 2016, the Government reported the net difference between projected and actual earnings on pension plan investments in the amount of \$433,098 as a deferred outflow of resources, which will be recognized in pension expense as follows:

Year ended December 31:

| | |
|-------|-------------------|
| 2017 | \$ 132,689 |
| 2018 | 132,689 |
| 2019 | 132,689 |
| 2020 | 35,031 |
| Total | <u>\$ 433,098</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

General Retirement Plan

Plan Description

Plan administration. The General Retirement Plan (the "Plan"), a single-employer defined benefit pension plan, was available to all former City of Augusta employees hired after March 1, 1949 and before March 1, 1987, whose age did not exceed 35 years at the time of their employment and are not participants of the 1977 Plan are covered under the General Retirement Plan. The Pension and Audit Committee makes recommendations for changes to the Plan to the Augusta-Richmond County Commission which has the authority to amend the Plan document. The committee is comprised of the Augusta-Richmond County Commission Mayor, Mayor Pro-Tem, the Chairman of the Augusta-Richmond County Commission Finance Committee, the Government's Administrator, and the Government's Finance Director.

The Plan was created by an Act of the General Assembly of Georgia (Senate Bill No. 130) on March 1, 1949. In February 2001, the Augusta-Richmond County Commission, as successor to the Richmond County Board of Commissioners, approved the restatement of the 1945 Plan effective January 1, 1997. This is a closed retirement plan (new employees may not participate in the Plan). The 1945 Plan does not issue a stand-alone financial statement report.

Plan membership. At December 31, 2016, pension plan membership consisted of the following:

| | |
|----------------------------|-------|
| Active participants | 46 |
| Retirees and beneficiaries | 197 |
| Vested terminated | 7 |
| | <hr/> |
| | 250 |
| | <hr/> |

Benefits provided. Pension benefits vest after an employee is 45 years of age and has 15 years of full-time employment. An employee may retire at age 60 with 25 years of service and receive annual pension benefits equal to 2% of the employee's average salary earned during the last three years of employment, multiplied by the number of full-time years of employment. The Plan provides death and disability benefits. These benefit provisions and all other requirements including amendments are established by Government ordinance. All full-time employees hired before July 1, 1980, must contribute 8% of gross earnings and employees hired after July 1, 1980, must contribute 5% of gross earnings to the Plan, with the Government contributing remaining amounts sufficient to provide future pensions.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

General Retirement Plan (Continued)

Plan Description (Continued)

Contributions. Employer contributions for 2016 are determined as part of the January 1, 2016, actuarial valuation using the frozen entry age cost method. The contribution amount is determined using actuarial methods and assumptions approved by the trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. Administrative costs of the General Retirement Plan are financed through investment income. The unfunded accrued liability is composed of pieces that are amortized over various periods to comply with Georgia law as a level percentage of payroll. When the actuarial value of assets exceeds 150% of the present value of accrued benefits, the Official Code of Georgia Annotated states that there is no minimum required contribution. The significant actuarial assumptions used to compute pension contribution requirements are the same as those used to determine the standard measure of the pension obligation. For the year ended December 31, 2016, the active member contribution rate was 7.9% of annual pay, and the Government's contribution rate was 147.5% of annual payroll.

Net Pension Liability of the Government

The Government's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.0% |
| Salary increases | 3.0% on average, including inflation |
| Investment rate of return | 7.25 %, net of pension plan investment expense |

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

General Retirement Plan (Continued)

Net Pension Liability of the Government (Continued)

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

All actuarial assumptions were reviewed prior to the preparation of the December 31, 2016, valuation. As a very significant portion of the actuarial liability is attributable to inactive lives, the two assumptions (investment return and mortality table) that have the most significant impact on the liabilities were revised to reflect the actuary's anticipated future experience of the plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2016, are: Equity Securities – 6% and Fixed Income Securities – 2.5%.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Government contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

General Retirement Plan (Continued)

Net Pension Liability of the Government (Continued)

Changes in the Net Pension Liability of the Government. The changes in the components of the net pension liability of the Government for the year ended December 31, 2016, were as follows:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| Balances at 12/31/15 | \$ 90,180,914 | \$ 67,508,179 | \$ 22,672,735 |
| Changes for the year: | | | |
| Service cost | 213,829 | - | 213,829 |
| Interest | 6,511,618 | - | 6,511,618 |
| Difference between expected and actual experience | 392,380 | - | 392,380 |
| Contributions—employer | - | 2,381,619 | (2,381,619) |
| Contributions—employee | - | 127,008 | (127,008) |
| Net investment income | - | 2,957,821 | (2,957,821) |
| Benefit payments, including refunds of employee contributions | (6,718,694) | (6,718,694) | - |
| Administrative expense | (5,649,139) | - | (5,649,139) |
| Net changes | (5,250,006) | (1,252,246) | (3,997,760) |
| Balances at 12/31/16 | \$ 84,930,908 | \$ 66,255,933 | \$ 18,674,975 |

The Plan's fiduciary net position as a percentage of the total pension liability 78.0%

The required schedule of changes in the Government's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

General Retirement Plan (Continued)

Net Pension Liability of the Government (Continued)

Sensitivity of the net pension liability to changes in the discount rate. The following table presents the net pension liability of the Government, calculated using the discount rate of 7.25%, as well as what the Government's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

| 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|--------------------------------|--|--------------------------------|
| \$ 26,576,951 | \$ 18,674,975 | \$ 11,876,739 |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2016, and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2016, the Government recognized pension expense of (\$2,096,706). At December 31, 2016, the Government reported the net difference between projected and actual earnings on pension plan investments in the amount of \$4,504,238 as a deferred outflow of resources, which will be recognized in pension expense as follows:

Year ended December 31:

| | |
|-------|---------------------|
| 2017 | \$ 1,377,539 |
| 2018 | 1,377,539 |
| 2019 | 1,377,539 |
| 2020 | 371,621 |
| Total | <u>\$ 4,504,238</u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Georgia Municipal Employees Benefit System Plan

Plan Description

Employees from the City of Augusta hired after March 1, 1987, and before consolidation on December 31, 1996, and who were not participants in any other employer-sponsored retirement plan, and Augusta Canal Authority employees are covered under the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer defined benefit pension plan. The GMEBS Plan provides pension benefits, deferred allowances, and death and disability benefits. In 2008 this plan was reopened to participants of the 1998 Defined Contribution Plan who opted to convert to the GMEBS Plan. Participation in this plan is mandatory for all new employees. These benefit provisions and all other requirements including amendments are established by Government ordinance. A participant may retire after reaching the age of 65 if the participant is not classified as public safety personnel; participating public safety personnel may retire at age 65 or age 55 with 25 years of total credited service, whichever is earlier. Early retirement may be taken at age 55 with 10 years of credited service. Benefits vest after 10 years of service. Employees who retire at or after age 55 with 10 or more years of service are entitled to pension payments for the remainder of their lives equal to 1 ¼% of their final five-year average salary times the number of years of which they were employed as a participant in the GMEBS. The final five-year average salary is the average salary of the employee during the final five years of full-time employment. Pension provisions include deferred allowances, whereby an employee may terminate his or her employment with the Government after accumulating 10 years of service but before reaching the age of 55. If the employee does not withdraw his or her accumulated contributions, the employee is entitled to all pension benefits upon reaching the age of 55. Employees must contribute 4% of their gross earnings to the Plan. In addition, the Government must provide annual contributions sufficient to satisfy the actuarially determined contribution requirements as amended by GMEBS. The GMEBS Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street, SW, Atlanta, Georgia 30303.

Plan membership. At July 1, 2016, the date of the most recent actuarial valuation, there were 2,959 participants as follows:

| | |
|----------------------------|-------|
| Active participants | 2,316 |
| Retirees and beneficiaries | 542 |
| Vested terminated | 101 |
| | <hr/> |
| | 2,959 |
| | <hr/> |

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Georgia Municipal Employees Benefit System Plan (Continued)

Plan Description (Continued)

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Government is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members, as determined by the Commission. For the year ended December 31, 2016, the active member contribution rate was 4.1% of annual pay and the Government's contribution rate was 5.7% of annual payroll. Government contributions to the Plan were \$4,790,116 for the year ended December 31, 2016.

Net Pension Liability of the Government

The Government's net pension liability was measured as of March 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2016, with update procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2016.

Actuarial assumptions. The total pension liability in the January 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 3.25% |
| Salary increases | 3.25%, plus service based merit increases |
| Investment rate of return | 7.75 %, net of pension plan investment expense, including inflation |

Mortality rates for were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period January 1, 2010–June 30, 2014.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Georgia Municipal Employees Benefit System Plan (Continued)

Net Pension Liability of the Government (Continued)

Cost of living adjustments were assumed to be 3.25% although the Plan allowance for annual cost of living adjustment is variable, as established by the Commission, in an amount not to exceed 3.25%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2016, are summarized in the following table:

| Asset Class | Target Allocation | Long-term expected real rate of return* |
|-----------------------|-------------------|---|
| Domestic equity | 45% | 6.75% |
| International equity | 20% | 7.45% |
| Real estate | 10% | 4.55% |
| Global fixed income | 5% | 3.30% |
| Domestic fixed income | 20% | 1.75% |
| Cash | - % | |
| Total | 100% | |

* Rates shown are net of the 3.25% assumed rate of inflation.

Discount rate. The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Government contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Georgia Municipal Employees Benefit System Plan (Continued)

Net Pension Liability of the Government (Continued)

Changes in the Net Pension Liability of the Government. The changes in the components of the net pension liability of the Government for the year ended December 31, 2016, were as follows:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| Balances at 12/31/15 | \$ 139,456,536 | \$ 118,381,210 | \$ 21,075,326 |
| Changes for the year: | | | |
| Service cost | 5,634,438 | - | 5,634,438 |
| Interest | 10,567,608 | - | 10,567,608 |
| Difference between expected and actual experience | 692,737 | - | 692,737 |
| Contributions—employer | - | 5,375,663 | (5,375,663) |
| Contributions—employee | - | 3,861,596 | (3,861,596) |
| Net investment income | - | 469,404 | (469,404) |
| Benefit payments, including refunds of employee contributions | (6,200,611) | (6,200,611) | - |
| Other | - | - | - |
| Administrative expense | - | (263,919) | 263,919 |
| Net changes | 10,694,172 | 3,242,133 | 7,452,039 |
| Balances at 12/31/16 | \$ 150,150,708 | \$ 121,623,343 | \$ 28,527,365 |

The Plan's fiduciary net position as a percentage of the total pension liability 81.0%

The required schedule of changes in the Government's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Georgia Municipal Employees Benefit System (Continued)

Net Pension Liability of the Government (Continued)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the Government, calculated using the discount rate of 7.75%, as well as what the Government's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

| 1% Decrease (6.75%) | Current Discount Rate (7.75%) | 1% Increase (8.75%) |
|--------------------------------|--|--------------------------------|
| \$ 47,692,021 | \$ 28,527,365 | \$ 12,929,325 |

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of March 31, 2016, and the current sharing pattern of costs between employer and employee.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Georgia Municipal Employees Benefit System (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2016, the Government recognized pension expense of \$4,189,162. At December 31, 2016, the Government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 47,179 | \$ - |
| Changes in assumptions | - | (1,676,531) |
| Net difference between projected and actual earnings on pension plan investments | 5,842,132 | - |
| Government contributions subsequent to the measurement date | <u>3,682,722</u> | <u>-</u> |
| Total | <u><u>\$ 9,572,033</u></u> | <u><u>\$ (1,676,531)</u></u> |

Government contributions subsequent to the measurement date of \$3,682,722 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | |
|-------------------------|----------------------------|
| Year ended December 31: | |
| 2017 | \$ 923,647 |
| 2018 | 923,647 |
| 2019 | 923,647 |
| 2020 | 1,326,291 |
| 2021 | <u>115,548</u> |
| Total | <u><u>\$ 4,212,780</u></u> |

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Firemen's Pension Plan and the City Employees' Pension Plan

These Plans covered former City of Augusta employees. Policemen and firemen hired before 1945 are covered under the General Pension Plan. Firemen hired between 1945 and 1949 are covered under the Firemen's Pension Plan. Other former City of Augusta employees hired between 1945 and 1949 are covered by the City Employees' Pension Plan. Pension benefits are being paid under these Plans to retired employees and beneficiaries. These are closed retirement plans (new employees may not participate in the plans). During the year ended December 31, 2016, the Firemen's Pension Plan has one participant with Government contributions of \$23,523; and the City Employees' Pension Plan has four participants with Government contributions of \$172,871. These plans do not issue stand-alone financial statement reports.

Retirement Savings Plan (the "1998 Plan")

All full-time employees with more than one month of service and Canal Authority employees were eligible to participate in the Retirement Savings Plan. The 1998 Plan is a defined contribution plan under Section 401(a) of the Internal Revenue Code, and is administered by Nationwide Life Insurance, PPA support. The Plan was organized and may be amended by a majority vote of the full-body of the governing board, the Augusta-Richmond County Commission. Employees contribute four percent (4%) of their salary, and the Government contributes two percent (2%) of the employee's salary. Contribution requirements may be amended by a majority vote of the full-body of the governing board, the Augusta-Richmond County Commission. At December 31, 2016, there were approximately 222 plan participants. Participants are considered fully vested in the Government's contributions after completing five (5) years of service. For the year ended December 31, 2016, the employees' contributions were \$255,453, and the Government's contributions were \$127,728. This is a closed retirement plan (new employees may not participate in the Plan).

B. Component Unit

Richmond County Department of Health

Plan Description

ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

B. Component Unit (Continued)

Richmond County Department of Health (Continued)

Plan Description (Continued)

Benefits provided. The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employee's Pension and Savings Plan (GSEPS). Employees under the old plan started membership prior to July 1, 1982, and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009, are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009, also have the option to irrevocably change their membership to GSEPS.

Under the old plan, the new plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to member's benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

Contributions. Member contributions under the old plan are 4% of annual compensation, up to \$4,200, plus 6% of annual compensation in excess of \$4,200. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the member's accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The Health Department's contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2016, was 19.97% of annual covered payroll for the old and new plan members and 21.69% for GSEPS members. The Health Department's contributions to ERS totaled \$ 1,065,340 for the year ended June 30, 2016. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

B. Component Unit (Continued)

Richmond County Department of Health (Continued)

Plan Description (Continued)

Actuarial assumptions: The total pension liability as of June 30, 2015, was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 3.00% |
| Salary increases | 5.45 – 9.25%, including inflation |
| Investment rate of return | 7.50%, net of pension plan investment expense, including inflation |

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back eleven years for males for the period after disability retirement.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2004 – June 30, 2009.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-term expected real rate of return* |
|---|-------------------|---|
| Fixed income | 30.0% | 3.0% |
| Domestic large equities | 39.7% | 6.5% |
| Domestic mid equities | 3.7% | 10.0% |
| Domestic small equities | 1.6% | 13.0% |
| International developed market equities | 18.9% | 6.5% |
| International emerging market equities | 6.1% | 11.0% |
| Total | 100% | |

* Rates shown are net of the 3.00% assumed rate of inflation.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

B. Component Unit (Continued)

Richmond County Department of Health (Continued)

Plan Description (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Health Department's proportionate share of the net pension liability to changes in the discount rate: The following presents the Health Department's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the Health Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

| <u>1% Decrease (6.5%)</u> | <u>Current Discount Rate (7.5%)</u> | <u>1% Increase (8.5%)</u> |
|-------------------------------|---|-------------------------------|
| \$ 11,487,727 | \$ 8,104,011 | \$ 5,219,263 |

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the Health Department reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2014. An expected total pension liability as of June 30, 2015, was determined using standard roll forward techniques. The Health Department's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2015. At June 30, 2015, the Employer's proportion was 0.200030%, which was an increase of 0.007390% from its proportion measured as of June 30, 2014.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLANS (CONTINUED)

B. Component Unit (Continued)

Richmond County Department of Health (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2016, the Health Department recognized pension expense of \$455,766. At June 30, 2016, the Health Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ - | \$ (64,750) |
| Net difference between projected and actual earnings on pension plan investments | - | (584,718) |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 96,654 | (206,892) |
| Health Department contributions subsequent to the measurement date | 1,065,340 | - |
| Total | <u>\$ 1,161,994</u> | <u>\$ (856,360)</u> |

Health Department contributions subsequent to the measurement date of \$ 1,065,340 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | |
|-------------------------|---------------------|
| Year ended December 31: | |
| 2017 | \$ (345,064) |
| 2018 | (351,170) |
| 2019 | (260,621) |
| 2020 | 197,149 |
| Total | <u>\$ (759,706)</u> |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report which is publically available at www.ers.ga.gov/formspubs/formspubs.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Government maintains the Augusta-Richmond County Other Post-Employment Benefit Plan (the "OPEB Plan"), a single employer post-employment defined benefit plan. The OPEB plan provides medical and death benefits to eligible retirees and their spouses. Separate publicly available financial statements are not issued for the OPEB Plan.

Funding Policy

The Government intends to continue to fund the OPEB Plan on a pay-as-you-go basis. The OPEB Plan is fully funded by the Government and plan members are not required to contribute. Contribution requirements may be amended by a majority vote of the full-body of the Augusta-Richmond County Commission.

Participant Data

At December 31, 2016, the date of the most recent actuarial valuation, there were 2,123 participants as follows:

| | |
|---|--------------|
| Active employees | 1,512 |
| Retired participants receiving benefits | 611 |
| Total membership | <u>2,123</u> |

Annual OPEB Cost and Net OPEB Obligation

The Government contributed \$4,014,820 to the OPEB Plan for the year ended December 31, 2016. The Government's annual other post-retirement benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The Government's annual pension cost and net OPEB obligation for the OPEB Plan for the current year is as follows:

| | December 31, 2016 |
|--|-------------------|
| Annual required employer contribution | \$ 8,804,271 |
| Interest on net OPEB obligation | 2,327,879 |
| Adjustment to annual required contribution | (2,912,200) |
| Annual OPEB cost | 8,219,950 |
| Employer contributions made or accrued | 4,014,820 |
| Increase in net OPEB obligation | 4,205,130 |
| Net OPEB obligation beginning of year | 42,325,079 |
| Net OPEB obligation end of year | \$ 46,530,209 |

Trend Information

| Fiscal Year Ending | Annual OPEB Cost (APC) | Percentage of APC Contributed | Net OPEB Obligation |
|-----------------------|---------------------------|----------------------------------|------------------------|
| 12/31/2016 | \$ 8,219,950 | 48.8 % | \$ 46,530,209 |
| 12/31/2015 | 7,820,420 | 47.6 | 42,325,079 |
| 12/31/2014 | 7,530,194 | 41.5 | 38,229,228 |
| 12/31/2013 | 7,530,193 | 39.3 | 33,973,493 |
| 12/31/2012 | 7,593,837 | 31.9 | 29,568,318 |

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

As of January 1, 2015, the most recent valuation date, the funded status of the OPEB Plan is as follows:

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll (b-a)/c) |
|--------------------------------|--|---|------------------------------------|--------------------------|---------------------------|--|
| 1/1/2016 | \$ - | \$ 103,599,420 | \$ 103,599,420 | - % | \$ N/A | N/A |

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net position is increasing or decreasing over time relative to the actuarial accrued liability. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2016, and on the pattern of sharing costs between the employer and plan members to that point.

Actuarial Assumptions

The assumptions used in the January 1, 2015, actuarial valuation are as follows:

| | |
|------------------------------------|---|
| Valuation date | January 1, 2015 |
| Actuarial cost method | Projected Unit Credit |
| Amortization method | Level Percent of Pay (open) |
| Amortization period | 30 years |
| Asset valuation method | Market Value |
| Actuarial assumptions: | |
| Discount rate | 5.50% |
| Annual health care cost trend rate | 8.00% initially, reduced by decrements to an ultimate rate of 5.00% after three years |

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT

The Government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Government purchases commercial insurance to cover employee life, health, property and liability, and disability insurance programs.

There were no significant reductions of insurance coverage compared to the prior year. Settled claims in the past three years have not exceeded the coverages.

The Government records an estimated liability for indemnity workers' compensation claims against the Government. Claim liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses). Claims liabilities include specific, incremental claim adjustment expenses and allocated loss adjustment expenses. Because all workers' compensation claims are expected to be settled within one year, the related unpaid claims liability is not discounted and the entire liability is classified as current. Activity is accounted for in the General Fund.

Changes in the balances of claims liabilities during the last two years ended December 31, are as follows:

| | <u>December 31, 2016</u> | <u>December 31, 2015</u> |
|--|--------------------------|--------------------------|
| Unpaid claims, beginning of fiscal year | \$ 8,504,445 | \$ 9,797,917 |
| Incurred claims and changes in estimates | 1,499,188 | 1,495,433 |
| Claim payments | (4,154,533) | (2,788,905) |
| Unpaid claims, end of fiscal year | <u>\$ 5,849,100</u> | <u>\$ 8,504,445</u> |

The \$5,849,100 noted above along with an additional \$501,413 in litigation claims payable as discussed in Note 12 are reported in the Government's Statement of Net Position. Total accrued claims and judgments liability amounts to \$6,350,513 as of December 31, 2016.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Litigation

The Government is involved in several pending lawsuits. The nature of the lawsuits varies considerably. Management and the Government's legal counsel have determined an aggregate liability, which is reasonably possible to arise from the proceedings of up to \$501,413. The entire amount is believed by management and legal counsel to be probable and is recorded as claims and judgments payable on the government-wide statement of net position as of December 31, 2016. The Government will continue to assert its position in a defense against these claims.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Contractual Commitments

At December 31, 2016, in addition to the liabilities enumerated on the balance sheet, the Government also had contractual commitments on uncompleted construction contracts in the amount of approximately \$3,061,683 for the completion of various projects.

Grant Contingencies

The Government has received Federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, Government management believes such disallowances, if any, will not be significant.

NOTE 13. RELATED ORGANIZATIONS

The Government's governing council is responsible for all of the board appointments of the Housing Authority of the City of Augusta, Georgia. However, the Government's powers with respect to the Housing Authority of the City of Augusta, Georgia do not extend beyond these appointments and, accordingly, the Government has no financial accountability for the Housing Authority of the City of Augusta, Georgia.

NOTE 14. JOINT VENTURE

Under Georgia law, the Government, in conjunction with the 16 counties and 54 cities in east Georgia known as the Central Savannah River Area (CSRA), is a member of the CSRA Regional Commission (CSRA RC) and is required to pay annual dues thereto. During its year ended December 31, 2016, the Government paid \$195,820 in such dues. Membership in a regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the CRC in Georgia. The CSRA RC Board membership includes one city official, one county official, and one private sector individual from each county. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from the CSRA Regional Commission, 3023 River Watch Parkway, Augusta, Georgia 30907.

NOTE 15. HOTEL/MOTEL LODGING TAX

The Government has imposed a 6% hotel/motel tax on lodging facilities. Revenues collected during the year ended December 31, 2016, were \$5,872,693; \$4,512,963 was paid to the Augusta-Richmond County Coliseum and the Augusta Convention and Visitors Bureau to promote tourism within Richmond County, and \$1,360,000 was used for debt service on the Augusta Richmond County Coliseum Authority Revenue Bond Series 2010.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. LEASES

The Government is lessor of terminal space, land and buildings at Augusta Regional Airport at Bush Field and Daniel Field under various operating leases. Revenues and related expenses for Augusta Regional Airport at Bush Field are recorded in the Augusta Regional Airport at Bush Field Fund while the revenue and related expenses for Daniel Field are recorded in the Daniel Field Airport Fund. Some of the leases provide for additional payments based on usage activity in addition to non-cancelable amounts of fixed rates.

During 2016, rental income totaled \$1,053,154 and \$89,573 in the Augusta Regional Airport at Bush Field and Daniel Field Airport Funds, respectively.

NOTE 17. DEFICIT FUND BALANCES / NET POSITION

The Special Assessment Fund reported a deficit fund balance of \$427,951; the Housing and Neighborhood Development Fund reported a deficit fund balance of \$378,096; the Urban Redevelopment Agency Fund reported a deficit fund balance of \$209,756; the TIA Projects Fund reported a deficit fund balance of \$8,732,047; the Fleet Operations Fund reported deficit net position of \$127,421; and the GMA Leases Fund reported deficit net position of \$325,177 at December 31, 2016. The Special Assessment Fund, Housing and Neighborhood Development Fund, Urban Redevelopment Agency, and TIA Projects Fund deficits are intended to be eliminated through increased transfers from other funds. The Fleet Operations Fund and GMA Leases Fund deficits are intended to be eliminated through an increase in user charges.

NOTE 18. DEPARTMENT OF THE ARMY REVENUE

In September 2007, the Government entered into a contract with the Department of Defense (DOD) for the privatization of the water and wastewater system for the army base located at Fort Gordon, Georgia. The contract term is for fifty (50) years with a renewal option. The contract provides for selling the existing infrastructure assets to the Government, paying for renewal and replacement of infrastructure, reimbursing the cost of any new assets added to the water and wastewater system, and paying the Government to operate and maintain the water and wastewater system. Payments from the DOD to the Government are provided for in different ways for each type of payment.

Sale of existing infrastructure assets to Utilities and payment for operations and maintenance – The amortized cost of the initial purchase of the infrastructure is passed along to the DOD as allowable part of the cost to operate and maintain the water and wastewater system. As a result, the payment for purchase of the existing infrastructure is considered an offset resulting in a non-cash transaction. The liability for the purchase of the assets is recorded as a note payable to the Department of the Army. A monthly entry is recorded to reflect the amortization of the scheduled note payable payment including interest and an equal amount of revenue representing operation and maintenance of the system. In addition, depreciation expense is recorded equal to the principal balance and interest expense on the note payable. The total amount of these expenses is expected to equal the total amount of the related revenue over the life of the contract. For the years ended December 31, 2016 and 2015, \$2,455,980 and \$2,455,980, respectively, was recorded as Department of the Army revenue and was used to reduce the outstanding balance on the Department of the Army note payable.

NOTES TO FINANCIAL STATEMENTS

NOTE 18. DEPARTMENT OF THE ARMY REVENUE (CONTINUED)

Payment for renewal and replacement of infrastructure – Payments for renewal and replacement of the water and wastewater system were calculated based on an estimated schedule of asset replacement with inflation over the fifty (50) year term of the contract. This estimated cost was then amortized on a present value basis to a monthly amount. This amount, along with the estimated monthly payment for operations and maintenance agreed upon at the contract signing date, are billed monthly to the DOD and are expected to remain constant for the first two (2) years of the contract. After the first two (2) years of the contract and every three (3) years thereafter, the monthly amount of either of these payments may be renegotiated within contractually specified limits. For the years ended December 31, 2016 and 2015, the Government recognized \$5,128,257 and \$5,208,041, respectively, of revenue for these payments as department of the Army revenue.

Reimburse the cost of any new assets added to the system – Any new assets required for the infrastructure of Fort Gordon are approved by the DOD, contracted by Utilities and reimbursed in full at the completion of the project by DOD. For the years ended December 31, 2016 and 2015, reimbursements for such projects totaled \$3,949,610 and \$499,296, respectively, and payments were recorded as Department of the Army revenue.

NOTE 19. TAX ABATEMENT PROGRAMS

As of December 31, 2016, the Government provides tax abatement through two programs: Tax Allocation Districts (TAD's) and Enterprise Zones

1). Tax Allocation Districts were authorized in 1985 under the Redevelopment Powers Law (Art. IX, Sec. II Para. VII of the Georgia Constitution as amended) to finance infrastructure and other redevelopment costs within a tax allocation district. Incremental tax revenue (Ad Valorem and Sales Tax) collected in the district may be used to reimburse a developer in accordance with an approved redevelopment agreement.

2). Enterprise Zones are designated geographical areas where Ad Valorem taxes are abated for up to 10 years and other incentive to businesses that create five or more new jobs and residential investment with a minimum 5:1 improvement value.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. TAX ABATEMENT PROGRAMS (CONTINUED)

Augusta Economic Development Authority Tax Abatements

Under the agreement entered into by AEDA, County Ad Valorem revenues were reduced by \$2,332,101.

| <u>Tax Abatement Program</u> | <u>Amount Abated</u> |
|------------------------------------|----------------------|
| TAD 2 | |
| Ad Valorem Taxes | \$ 144,566 |
| Sales Tax | 598,705 |
| Total TAD 2 | <u>743,271</u> |
| TAD 3 | |
| Ad Valorem Taxes | <u>\$ 577,301</u> |
| TAD 4 | |
| Ad Valorem Taxes | <u>\$ 25,275</u> |
| Enterprise Zones | |
| Harrisburg | \$ 2,007 |
| Laney Walker | 42,024 |
| Rocky Creek | 15,980 |
| Total Enterprise Zones | <u>60,011</u> |
| Economic Development Authority | |
| Ad Valorem Taxes | <u>\$ 2,332,101</u> |

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REQUIRED SUPPLEMENTARY INFORMATION

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REQUIRED SUPPLEMENTARY INFORMATION

OTHER POST-EMPLOYMENT BENEFIT PLAN SCHEDULE OF FUNDING PROGRESS

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll (b-a)/c) |
|--------------------------------|--|---|------------------------------------|--------------------------|---------------------------|--|
| 1/1/2016 | \$ - | \$ 103,599,420 | \$ 103,599,420 | - % | \$ N/A | N/A |
| 1/1/2015 | - | 98,256,111 | 98,256,111 | - | N/A | N/A |
| 1/1/2013 | - | 95,489,631 | 95,489,631 | - | N/A | N/A |
| 1/1/2012 | - | 95,489,631 | 95,489,631 | - | N/A | N/A |
| 1/1/2011 | - | 91,479,290 | 91,479,290 | - | N/A | N/A |
| 1/1/2010 | - | - | - | - | N/A | N/A |
| 1/1/2009 | - | - | - | - | N/A | N/A |

The assumptions used in the preparation of the above schedule are disclosed in Note 10 to the financial statements.

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NONMAJOR GOVERNMENTAL FUNDS

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AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION 1945 PLAN SCHEDULE OF CHANGES IN THE GOVERNMENT'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE YEAR ENDED DECEMBER 31,

| | 2016 | 2015 | 2014 |
|---|---------------------|---------------------|---------------------|
| Total pension liability | | | |
| Service cost | \$ 586,898 | \$ 644,381 | \$ 3,063 |
| Interest on total pension liability | (388,216) | (656,594) | 691,884 |
| Benefit payments, including refunds of employee contributions | (757,676) | (791,036) | (890,165) |
| Other | (483,086) | 557,115 | - |
| Net change in total pension liability | (1,042,080) | (246,134) | (195,218) |
| Total pension liability - beginning | 8,204,147 | 8,450,281 | 8,645,499 |
| Total pension liability - ending (a) | <u>\$ 7,162,067</u> | <u>\$ 8,204,147</u> | <u>\$ 8,450,281</u> |
| Plan fiduciary net position | | | |
| Contributions - employer | \$ 242,708 | \$ 290,565 | \$ 299,600 |
| Contributions - employee | 7,121 | 6,611 | 6,661 |
| Net investment income | 260,609 | 13,630 | 521,224 |
| Benefit payments, including refunds of member contributions | (757,676) | (791,036) | (864,962) |
| Net change in plan fiduciary net position | (247,238) | (480,230) | (37,477) |
| Plan fiduciary net position - beginning | 6,185,751 | 6,665,981 | 6,703,458 |
| Plan fiduciary net position - ending (b) | <u>\$ 5,938,513</u> | <u>\$ 6,185,751</u> | <u>\$ 6,665,981</u> |
| Government's net pension liability - ending (a) - (b) | <u>\$ 1,223,554</u> | <u>\$ 2,018,396</u> | <u>\$ 1,784,300</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 82.9% | 75.4% | 78.9% |
| Covered-employee payroll | \$ 142,642 | \$ 132,431 | \$ 132,346 |
| Net pension liability as a percentage of covered-employee payroll | 857.8% | 1524.1% | 1348.2% |

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION GENERAL RETIREMENT PLAN SCHEDULE OF CHANGES IN THE GOVERNMENT'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE YEAR ENDED DECEMBER 31,

| | 2016 | 2015 | 2014 |
|---|----------------------|----------------------|----------------------|
| Total pension liability | | | |
| Service cost | \$ 213,829 | \$ 211,811 | \$ 196,121 |
| Interest on total pension liability | 6,511,618 | 7,012,898 | 7,212,710 |
| Difference between expected and actual experience | 392,380 | (9,987,646) | - |
| Benefit payments, including refunds of employee contributions | (6,718,694) | (6,640,017) | - |
| Assumption changes | (5,649,139) | 8,602,628 | (6,390,348) |
| Net change in total pension liability | (5,250,006) | (800,326) | 1,018,483 |
| Total pension liability - beginning | 90,180,914 | 90,981,240 | 89,962,757 |
| Total pension liability - ending (a) | <u>\$ 84,930,908</u> | <u>\$ 90,180,914</u> | <u>\$ 90,981,240</u> |
| Plan fiduciary net position | | | |
| Contributions - employer | \$ 2,381,619 | \$ 2,256,722 | \$ 2,256,722 |
| Contributions - employee | 127,008 | 145,707 | 185,458 |
| Net investment income | 2,957,821 | 416,945 | 4,737,674 |
| Benefit payments, including refunds of member contributions | (6,718,694) | (6,640,017) | (6,144,565) |
| Net change in plan fiduciary net position | (1,252,246) | (3,820,643) | 1,035,289 |
| Plan fiduciary net position - beginning | 67,508,179 | 71,328,822 | 70,293,533 |
| Plan fiduciary net position - ending (b) | <u>\$ 66,255,933</u> | <u>\$ 67,508,179</u> | <u>\$ 71,328,822</u> |
| Government's net pension liability - ending (a) - (b) | <u>\$ 18,674,975</u> | <u>\$ 22,672,735</u> | <u>\$ 19,652,418</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 78.0% | 74.9% | 78.4% |
| Covered-employee payroll | \$ 1,614,364 | \$ 2,173,529 | \$ 2,906,852 |
| Net pension liability as a percentage of covered-employee | 1156.8% | 1043.1% | 676.1% |

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM PLAN SCHEDULE OF CHANGES IN THE GOVERNMENT'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE YEAR ENDED DECEMBER 31,

| | <u>2016</u> | <u>2015</u> |
|---|------------------------------|------------------------------|
| Total pension liability | | |
| Service cost | \$ 5,634,438 | \$ 6,206,501 |
| Interest on total pension liability | 10,567,608 | 10,017,506 |
| Differences between expected and actual experience | 692,737 | (769,614) |
| Changes of assumptions | - | (2,547,031) |
| Benefit payments, including refunds of employee contributions | (6,200,611) | (5,417,945) |
| Net change in total pension liability | <u>10,694,172</u> | <u>7,489,417</u> |
| Total pension liability - beginning | <u>139,456,536</u> | <u>131,967,119</u> |
| Total pension liability - ending (a) | <u><u>\$ 150,150,708</u></u> | <u><u>\$ 139,456,536</u></u> |
| Plan fiduciary net position | | |
| Contributions - employer | \$ 5,375,663 | \$ 5,710,844 |
| Contributions - employee | 3,861,596 | 3,742,322 |
| Net investment income | 469,404 | 10,245,983 |
| Benefit payments, including refunds of member contributions | (6,200,611) | (5,417,945) |
| Administrative expenses | (263,919) | (223,210) |
| Net change in plan fiduciary net position | <u>3,242,133</u> | <u>14,057,994</u> |
| Plan fiduciary net position - beginning | <u>118,381,210</u> | <u>104,323,216</u> |
| Plan fiduciary net position - ending (b) | <u><u>\$ 121,623,343</u></u> | <u><u>\$ 118,381,210</u></u> |
| Government's net pension liability - ending (a) - (b) | <u><u>\$ 28,527,365</u></u> | <u><u>\$ 21,075,326</u></u> |
| Plan fiduciary net position as a percentage of the total pension liability | 81.0% | 84.9% |
| Covered-employee payroll | \$ 93,424,736 | \$ 87,533,530 |
| Net pension liability as a percentage of covered-employee payroll | 30.5% | 24.1% |

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION 1945 PLAN SCHEDULE OF GOVERNMENT CONTRIBUTIONS FOR THE YEAR ENDED DECEMBER 31,

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|----------------|----------------|----------------|
| Actuarially determined contribution | \$ 242,708 | \$ 290,565 | \$ 299,600 |
| Contributions in relation to the actuarially determined contribution | <u>242,708</u> | <u>290,565</u> | <u>299,600</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered employee payroll | \$ 142,642 | \$ 132,431 | \$ 132,346 |
| Contributions as a percentage of covered-employee payroll | 170.15% | 219.41% | 226.38% |

Notes to the Schedule:

(1) Actuarial Assumptions

| | |
|---------------------------------------|--|
| Valuation Date | December 31, 2016 |
| Cost Method | Entry Age Normal |
| Actuarial Asset Valuation Method | Smoothed market value, 5 year smoothing period |
| Assumed Rate of Return on Investments | 7.25% |
| Projected Salary Increases | 3.00% |
| Cost-of-living Adjustment | 2.00% |
| Amortization Method | Closed level dollar for unfunded liability |
| Remaining Amortization Period | None remaining |

(2) The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION GENERAL RETIREMENT PLAN SCHEDULE OF GOVERNMENT CONTRIBUTIONS FOR THE YEAR ENDED DECEMBER 31,

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|------------------|------------------|------------------|
| Actuarially determined contribution | \$ 2,381,619 | \$ 2,256,722 | \$ 2,256,722 |
| Contributions in relation to the actuarially determined contribution | <u>2,381,619</u> | <u>2,256,722</u> | <u>2,256,722</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered employee payroll | \$ 1,614,364 | \$ 2,173,529 | \$ 2,906,852 |
| Contributions as a percentage of covered-employee payroll | 147.53% | 103.83% | 77.63% |

Notes to the Schedule:

(1) Actuarial Assumptions

| | |
|---------------------------------------|--|
| Valuation Date | December 31, 2016 |
| Cost Method | Entry Age Normal |
| Actuarial Asset Valuation Method | Smoothed market value, 5 year smoothing period |
| Assumed Rate of Return on Investments | 7.25% |
| Projected Salary Increases | 3.00% |
| Cost-of-living Adjustment | 2.00% |
| Amortization Method | Closed level dollar for unfunded liability |
| Remaining Amortization Period | None remaining |

(2) The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION GEORGIA MUNICIPAL EMPLOYEES BENEFIT SYSTEM PLAN SCHEDULE OF GOVERNMENT CONTRIBUTIONS FOR THE YEAR ENDED DECEMBER 31,

| | <u>2016</u> | <u>2015</u> |
|--|---------------------|-----------------------|
| Actuarially determined contribution | \$ 4,617,582 | \$ 4,571,313 |
| Contributions in relation to the actuarially determined contribution | <u>5,375,663</u> | <u>5,710,844</u> |
| Contribution deficiency (excess) | <u>\$ (758,081)</u> | <u>\$ (1,139,531)</u> |
| Covered employee payroll | \$ 93,424,736 | \$ 87,533,530 |
| Contributions as a percentage of covered-employee payroll | 5.75% | 6.52% |

Notes to the Schedule:

(1) Actuarial Assumptions

| | |
|---------------------------------------|---|
| Valuation Date | July 1, 2016 |
| Cost Method | Projected Unit Credit |
| Actuarial Asset Valuation Method | Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted to be within 20% of market value. |
| Assumed Rate of Return on Investments | 7.75% |
| Projected Salary Increases | 3.25% plus service based merit increases |
| Cost-of-living Adjustment | 1.50% - 3.25% |
| Amortization Method | Closed level dollar for unfunded liability |
| Remaining Amortization Period | 10 years |

(2) The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION

1945 PLAN

SCHEDULE OF PENSION INVESTMENT RETURNS

FOR THE YEAR ENDED DECEMBER 31,

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|-------------|
| Annual money-weighted rate of return, net of investment expenses for the Government's Pension Plan | 7.1% | -1.8% | 7.0% |

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION GENERAL RETIREMENT PLAN SCHEDULE OF PENSION INVESTMENT RETURNS FOR THE YEAR ENDED DECEMBER 31,

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|-------------|
| Annual money-weighted rate of return, net of investment expenses for the Government's Pension Plan | 6.2% | -1.2% | 8.2% |

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RICHMOND COUNTY HEALTH DEPARTMENT
SCHEDULE OF CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA
FOR THE YEAR ENDED JUNE 30,

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|------------------|------------------|----------------|
| Actuarially determined contribution | \$ 1,069,702 | \$ 1,008,221 | \$ 862,168 |
| Contributions in relation to the actuarially determined contribution | <u>1,069,702</u> | <u>1,008,221</u> | <u>862,168</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Health Department's covered employee payroll | \$ 4,569,392 | \$ 5,027,680 | \$ 5,085,028 |
| Contributions as a percentage of covered-employee payroll | 23.41% | 20.05% | 16.96% |

Note: The schedule will present 10 years of information once it is accumulated.

AUGUSTA, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION RICHMOND COUNTY HEALTH DEPARTMENT SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA FOR THE YEAR ENDED JUNE 30,

| | <u>2016</u> | <u>2015</u> |
|---|--------------|--------------|
| Health Department's proportion of the net pension liability | 0.200030% | 0.207420% |
| Health Department's proportionate share of the net pension liability | \$ 8,104,011 | \$ 7,779,532 |
| Health Department's covered-employee payroll | \$ 4,569,392 | \$ 5,027,680 |
| Health Department's proportionate share of the net pension liability as a percentage of covered-employee payroll | 177.35% | 154.73% |
| Plan fiduciary net position as a percentage of the total pension liability | 76.20% | 77.99% |

Note: The schedule will present 10 years of information once it is accumulated.

Notes to the Schedule:

- (1) **Changes of assumptions:** There were no changes in assumptions or benefits that affect the measurement of the total pension liability since the prior measurement date.
- (2) **Method and assumptions used in calculations of actuarially determined contributions:** There actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for the year ended June 30, 2016 reported in that schedule

| | |
|----------------------------------|---|
| Valuation Date | June 30, 2013 |
| Cost Method | Entry Age Normal |
| Actuarial Asset Valuation Method | Five-year smoothed market |
| Inflation rate | 3.00% |
| Projected Salary Increases | 5.45%-9.25% |
| Investment rate of return | 7.50%, net of pension plan investment expense, including inflation |
| Amortization Method | Level dollar, open |
| Remaining Amortization Period | 25 years (open) |

AUGUSTA, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted, committed, or assigned for expenditures of particular purposes.

Urban Services District Fund is used to account for revenue primarily from ad valorem taxes from areas within the former city limits and expenditures related to governmental services such as “Urban Street Lights” and “Solid Waste Collection”.

Emergency Telephone System Fund is used to account for the receipt and disbursement of revenues of the emergency telephone response system.

Tax Allocation District 1 Fund is used to account for the receipt of the incremental increase of property taxes over the base years and expenditures committed to economic development.

Tax Allocation District 2 Fund is used to account for the receipt of the incremental increase of property taxes over the base years allocated sales tax revenue generated and expenditures committed to economic development in the Village at Riverwatch Tax Allocation District.

Tax Allocation District 3 Fund is used to account for the receipt of the incremental increase of property taxes over the base years and expenditures committed to economic development in the Doug/Bernard Dixon Airline Tax Allocation District.

Tax Allocation District 4 Fund is used to account for the receipt of the incremental increase of property taxes over the base years and expenditures committed to economic development in the Downtown Tax Allocation District.

Occupational Tax Fund is used to account for the receipt and disbursement of tax revenues restricted for fire protection services in the unincorporated area only.

Special Assessment Fund is used to account for the receipt and disbursement of street light assessment taxes for the installation of street lights in the Government.

Hotel/Motel Tax and Promotion/Tourism Fund is used to account for the receipt and disbursement of hotel/motel and beer/wine tax revenues to the Augusta-Richmond County Convention & Visitors Bureau and the Augusta-Richmond County Coliseum Authority.

Housing and Neighborhood Development Fund is used to account for the financing and construction of various community development projects from grants received from the U.S. Department of Housing and Urban Development.

Urban Development Action Grant (UDAG) Fund is used to account for loan transactions in relation to urban development action grants. Repayments of initial grant revenue loaned to qualified recipients are restricted to additional financing to qualified applicants.

AUGUSTA, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

Federal Drug Fund is used to account for activities associated with drug education and enforcement.

State Drug Fund is used to account for activities associated with drug education and enforcement.

Convention Center Fund is used to account for activities associated with the operations of the Augusta Convention Center.

Law Library Fund is used to account for certain fees received from the various courts of the Government. The resources are restricted by state law for support of the Law Library.

5% Crime Victim's Assistance Fund is used to account for the 5% surcharge on certain fines with the proceeds used for a victim's assistance program.

Supplemental Juvenile Service Fund is used to account for supervisory fees collected on juvenile cases.

Building Inspection Fund is used to account for building inspection licensing and fees revenue and related expenditures.

Perpetual Care I Fund is used to account for monies collected from sale of perpetual care contracts at Government-owned cemeteries after October 1, 1970, as well as receipt of investment earnings on all perpetual care investments and payment of cemetery maintenance expenditures.

Downtown Development Fund is used to account for excise taxes collected on rental motor vehicles, and debt payments made and appropriations given to the Downtown Development Authority.

TIA Discretionary Projects Fund is used to account for the receipts and disbursements from the discretionary (25%) portion of the regional transportation special district local option sales and use tax (TSPLOST) allocated to Augusta.

NPDES Permit Fees Fund is used to account for a per acre environmental fee charged to all contractors who disturb more than one acre of land at a building site.

Transportation and Tourism Fund is used to account for a fee to provide enhanced public transportation services and to enhance the tourism opportunities in the Historic Heritage District. The Government has implemented a \$1.00 per night room fee. In exchange for the transportation fee, payers of the fee shall be entitled to free use of the public transportation systems for the duration of their hotel stay in Augusta. The revenues generated by the transportation fee shall be used to fund and enhance public transportation operations, manage the Augusta Convention Center, and revitalize the Historic Heritage Districts of Augusta to enhance the transportation and tourism services available in Augusta.

Drug Court Fund is used to account for activities associated with drug education and enforcement.

DUI Court Fund is used to account for activities associated with DUI court.

AUGUSTA, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

The Urban Redevelopment Agency (URA) is used to account for the use of the related loan funds to assist the Government in alleviating economic deterioration.

Urban Redevelopment Projects Fund is used to account for the use of the related loan funds to assist the Government in alleviating economic deterioration by means of increasing public and private investments in order to aid in economic recovery to strengthen the economics, employment, and tax base of the Government. More specifically, the proceeds will finance the development of the Laney-Walker and Bethlehem Urban Redevelopment Area.

TIA Projects Fund is used to account for the receipts and disbursements of projects funded by the regional transportation special district local option sales and use tax (TSPLOST).

AUGUSTA, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016**

| ASSETS | Special Revenue Funds | Debt Service Funds | Capital Projects Funds | Permanent Fund Perpetual Care - II | Total Nonmajor Governmental Funds |
|---|--------------------------------------|-----------------------------------|---------------------------------------|---|--|
| Cash and cash equivalents | \$ 20,280,026 | \$ - | \$ 38,642,372 | \$ 526,110 | \$ 59,448,508 |
| Investments | 2,392,033 | - | 21,903,958 | - | 24,295,991 |
| Taxes receivable | 2,228,445 | - | 348,066 | - | 2,576,511 |
| Accounts receivables | 12,352,985 | - | 342,700 | - | 12,695,685 |
| Interest receivable | - | - | 6,240 | - | 6,240 |
| Notes receivable | 2,891,569 | - | - | - | 2,891,569 |
| Due from other governments | 1,019,707 | - | - | - | 1,019,707 |
| Prepaid expenditures | 118,483 | - | - | - | 118,483 |
| Restricted cash | 4,368,126 | 28,908,835 | - | - | 33,276,961 |
| Total assets | \$ 45,651,374 | \$ 28,908,835 | \$ 61,243,336 | \$ 526,110 | \$ 136,329,655 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | \$ 3,161,899 | \$ - | \$ 729,763 | \$ - | \$ 3,891,662 |
| Accrued liabilities | 228,167 | - | - | - | 228,167 |
| Unearned revenue | 956,338 | - | - | - | 956,338 |
| Due to other funds | 17,853,954 | 84,236 | 386,912 | - | 18,325,102 |
| Total liabilities | 22,200,358 | 84,236 | 1,116,675 | - | 23,401,269 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable revenue - intergovernmental | 5,147,951 | - | - | - | 5,147,951 |
| Unavailable revenue - notes receivable | 2,856,107 | - | - | - | 2,856,107 |
| Unavailable revenue - property taxes | 617,428 | - | 173,580 | - | 791,008 |
| Total deferred inflows of resources | 8,621,486 | - | 173,580 | - | 8,795,066 |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid expenditures | 118,483 | - | - | - | 118,483 |
| Long-term notes receivable | 35,462 | - | - | - | 35,462 |
| Restricted for: | | | | | |
| Judicial | 1,088,001 | - | - | - | 1,088,001 |
| Perpetual care | - | - | - | - | - |
| Expendable | 334,017 | - | - | - | 334,017 |
| Nonexpendable | - | - | - | 526,110 | 526,110 |
| Public safety | 5,217,227 | - | - | - | 5,217,227 |
| Public works | 8,246,484 | - | - | - | 8,246,484 |
| Culture and recreation | 13,166 | - | - | - | 13,166 |
| Housing and development | 2,182,281 | - | - | - | 2,182,281 |
| Capital outlay | - | - | 51,196,515 | - | 51,196,515 |
| Debt service | - | 28,824,599 | - | - | 28,824,599 |
| Committed for: | | | | | |
| Public works | 2,652,177 | - | - | - | 2,652,177 |
| Public works - stormwater | 134,764 | - | - | - | 134,764 |
| Housing and development | 4,658,845 | - | - | - | 4,658,845 |
| Capital outlay | - | - | 8,756,566 | - | 8,756,566 |
| Unassigned | (9,851,377) | - | - | - | (9,851,377) |
| Total fund balances | 14,829,530 | 28,824,599 | 59,953,081 | 526,110 | 104,133,320 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 45,651,374 | \$ 28,908,835 | \$ 61,243,336 | \$ 526,110 | \$ 136,329,655 |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Special Revenue Funds | Debt Service Funds | Capital Projects Funds | Permanent Fund Perpetual Care - II | Total Nonmajor Governmental Funds |
|---|--------------------------------------|-----------------------------------|---------------------------------------|---|--|
| Revenues: | | | | | |
| Property taxes | \$ 5,349,563 | \$ 370,000 | \$ 3,756,706 | \$ - | \$ 9,476,269 |
| Sales taxes | 25,706,170 | - | 331,345 | - | 26,037,515 |
| Other taxes | 5,884,224 | - | - | - | 5,884,224 |
| Licenses and permits | 4,849,180 | - | - | - | 4,849,180 |
| Intergovernmental | 6,043,346 | - | 1,053,317 | - | 7,096,663 |
| Charges for services | 7,336,199 | - | 95,418 | - | 7,431,617 |
| Fines and forfeitures | 950,881 | - | - | - | 950,881 |
| Interest income | 95,272 | 7,583 | 209,000 | 8,293 | 320,148 |
| Other revenues | 451,056 | - | - | - | 451,056 |
| Total revenues | <u>56,665,891</u> | <u>377,583</u> | <u>5,445,786</u> | <u>8,293</u> | <u>62,497,553</u> |
| Expenditures: | | | | | |
| Current | | | | | |
| General government | 2,363,149 | - | - | - | 2,363,149 |
| Judicial | 764,199 | - | - | - | 764,199 |
| Public safety | 4,120,317 | - | - | - | 4,120,317 |
| Public works | 27,167,136 | - | - | - | 27,167,136 |
| Culture and recreation | 1,445,034 | - | - | - | 1,445,034 |
| Housing and development | 13,212,944 | - | - | - | 13,212,944 |
| Capital projects | - | - | 6,972,827 | - | 6,972,827 |
| Debt service | - | - | - | - | - |
| Principal | 355,000 | 890,000 | - | - | 1,245,000 |
| Interest | 1,153,302 | 838,500 | - | - | 1,991,802 |
| Fiscal agent fees | 1,802 | 1,814 | - | - | 3,616 |
| Bond issuance cost | 1,396 | 364,797 | - | - | 366,193 |
| Total expenditures | <u>50,584,279</u> | <u>2,095,111</u> | <u>6,972,827</u> | <u>-</u> | <u>59,652,217</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>6,081,612</u> | <u>(1,717,528)</u> | <u>(1,527,041)</u> | <u>8,293</u> | <u>2,845,336</u> |
| Other financing sources (uses): | | | | | |
| Proceeds from issuance of debt | - | 26,115,000 | - | - | 26,115,000 |
| Premium on bonds issued | - | 2,763,951 | - | - | 2,763,951 |
| Proceeds from sale of assets | 5,922 | - | - | - | 5,922 |
| Transfers in | 7,982,340 | 1,365,352 | 321,401 | - | 9,669,093 |
| Transfers out | (16,721,291) | (37,875) | (626,134) | - | (17,385,300) |
| Total other financing sources (uses) | <u>(8,733,029)</u> | <u>30,206,428</u> | <u>(304,733)</u> | <u>-</u> | <u>21,168,666</u> |
| Net change in fund balances | (2,651,417) | 28,488,900 | (1,831,774) | 8,293 | 24,014,002 |
| Fund balances, beginning of year | <u>17,480,947</u> | <u>335,699</u> | <u>61,784,855</u> | <u>517,817</u> | <u>80,119,318</u> |
| Fund balances, end of year | <u>\$ 14,829,530</u> | <u>\$ 28,824,599</u> | <u>\$ 59,953,081</u> | <u>\$ 526,110</u> | <u>\$ 104,133,320</u> |

AUGUSTA, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016**

| ASSETS | Urban Services District | Emergency Telephone System | Tax Allocation District 1 | Tax Allocation District 2 | Tax Allocation District 3 | Tax Allocation District 4 |
|---|--|---|--|--|--|--|
| Cash and cash equivalents | \$ 1,798,076 | \$ 719,692 | \$ - | \$ 595,015 | \$ 50,634 | \$ 44,768 |
| Investments | - | 2,374,081 | - | - | - | - |
| Taxes receivable | 736,581 | - | - | 59,145 | 1,432,719 | - |
| Accounts receivables | - | 639,048 | - | - | - | - |
| Notes receivable | - | - | - | - | - | - |
| Due from other governments | 483,962 | - | - | - | - | - |
| Due from other funds | - | - | - | - | - | - |
| Prepaid expenditures | - | - | - | - | - | - |
| Restricted cash | - | - | - | - | - | - |
| Total assets | <u>\$ 3,018,619</u> | <u>\$ 3,732,821</u> | <u>\$ -</u> | <u>\$ 654,160</u> | <u>\$ 1,483,353</u> | <u>\$ 44,768</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 23,674 | \$ 93,970 | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | 126,292 | - | - | - | - |
| Unearned revenue | - | - | - | - | - | - |
| Due to other governments | - | - | - | - | - | - |
| Due to other funds | - | - | - | - | - | - |
| Total liabilities | <u>23,674</u> | <u>220,262</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue - intergovernmental | - | - | - | - | - | - |
| Unavailable revenue - notes receivable | - | - | - | - | - | - |
| Unavailable revenue - property taxes | 342,768 | - | - | - | - | - |
| Total deferred inflows of resources | <u>342,768</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICIT) | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid expenditures | - | - | - | - | - | - |
| Long-term notes receivable | - | - | - | - | - | - |
| Restricted for: | | | | | | |
| Judicial | - | - | - | - | - | - |
| Perpetual care | - | - | - | - | - | - |
| Public safety | - | 3,512,559 | - | - | - | - |
| Public works | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Housing and development | - | - | - | 654,160 | 1,483,353 | 44,768 |
| Committed to: | | | | | | |
| Public works | 2,652,177 | - | - | - | - | - |
| Public works - stormwater | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| Total fund balances (deficit) | <u>2,652,177</u> | <u>3,512,559</u> | <u>-</u> | <u>654,160</u> | <u>1,483,353</u> | <u>44,768</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 3,018,619</u> | <u>\$ 3,732,821</u> | <u>\$ -</u> | <u>\$ 654,160</u> | <u>\$ 1,483,353</u> | <u>\$ 44,768</u> |

| Occupational Tax | Special Assessment | Hotel/Motel Tax and Promotion/ Tourism | Housing and Neighborhood Development | Urban Development Action Grant | Federal Drug Fund | State Drug Fund | Downtown Development |
|---------------------|-----------------------|---|--|--------------------------------------|-------------------------|-----------------------|-------------------------|
| \$ - | \$ 42,185 | \$ 310,691 | \$ 658,155 | \$ 51,401 | \$ 621,728 | \$ 948,568 | \$ - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | 324,673 | - | - | - | - | - | 32,242 |
| - | - | - | 2,406,765 | 35,462 | - | - | - |
| - | - | - | 203,744 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ -</u> | <u>\$ 366,858</u> | <u>\$ 310,691</u> | <u>\$ 3,268,664</u> | <u>\$ 86,863</u> | <u>\$ 621,728</u> | <u>\$ 948,568</u> | <u>\$ 32,242</u> |
| | | | | | | | |
| \$ - | \$ 419,094 | \$ 297,525 | \$ 236,759 | \$ 5,481 | \$ - | \$ 25,476 | \$ - |
| - | 8,790 | - | 46,898 | - | - | - | - |
| - | - | - | 956,338 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | 92,265 | - | - | 52,133 | - | - | 32,206 |
| <u>-</u> | <u>520,149</u> | <u>297,525</u> | <u>1,239,995</u> | <u>57,614</u> | <u>-</u> | <u>25,476</u> | <u>32,206</u> |
| | | | | | | | |
| - | - | - | - | - | - | - | - |
| - | - | - | 2,406,765 | - | - | - | - |
| - | 274,660 | - | - | - | - | - | - |
| <u>-</u> | <u>274,660</u> | <u>-</u> | <u>2,406,765</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | | | | |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 35,462 | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | 621,728 | 923,092 | - |
| - | - | - | - | - | - | - | - |
| - | - | 13,166 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | (427,951) | - | (378,096) | (6,213) | - | - | 36 |
| <u>-</u> | <u>(427,951)</u> | <u>13,166</u> | <u>(378,096)</u> | <u>29,249</u> | <u>621,728</u> | <u>923,092</u> | <u>36</u> |
| | | | | | | | |
| <u>\$ -</u> | <u>\$ 366,858</u> | <u>\$ 310,691</u> | <u>\$ 3,268,664</u> | <u>\$ 86,863</u> | <u>\$ 621,728</u> | <u>\$ 948,568</u> | <u>\$ 32,242</u> |

(Continued)

AUGUSTA, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016**

| ASSETS | Convention Center | Law Library | 5% Victim's Crime Assistance | Supplemental Juvenile Services | Building Inspection | Perpetual Care - I |
|---|------------------------------|------------------------|---|---|--------------------------------|-------------------------------|
| Cash and cash equivalents | \$ 15,500 | \$ 122,070 | \$ 717,220 | \$ 47,117 | \$ 1,916,439 | \$ 332,814 |
| Investments | - | 17,952 | - | - | - | - |
| Taxes receivable | - | - | - | - | - | - |
| Accounts receivables | - | - | 9,647 | - | - | 1,203 |
| Notes receivable | - | - | - | - | - | - |
| Due from other governments | - | - | - | - | - | - |
| Due from other funds | - | - | - | - | - | - |
| Prepaid expenditures | 118,483 | - | - | - | - | - |
| Restricted cash | - | - | - | - | - | - |
| Total assets | <u>\$ 133,983</u> | <u>\$ 140,022</u> | <u>\$ 726,867</u> | <u>\$ 47,117</u> | <u>\$ 1,916,439</u> | <u>\$ 334,017</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 112,814 | \$ 4,037 | \$ 52 | \$ - | \$ 37,474 | \$ - |
| Accrued liabilities | - | - | 5,861 | - | 30,525 | - |
| Unearned revenue | - | - | - | - | - | - |
| Due to other funds | - | - | 2,695 | - | - | - |
| Total liabilities | <u>112,814</u> | <u>4,037</u> | <u>8,608</u> | <u>-</u> | <u>67,999</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue - intergovernmental | - | - | - | - | - | - |
| Unavailable revenue - notes receivable | - | - | - | - | - | - |
| Unavailable revenue - property taxes | - | - | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICIT) | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid expenditures | 118,483 | - | - | - | - | - |
| Long-term notes receivable | - | - | - | - | - | - |
| Restricted for: | | | | | | |
| Judicial | - | 135,985 | 718,259 | 47,117 | - | - |
| Perpetual care | - | - | - | - | - | 334,017 |
| Public safety | - | - | - | - | - | - |
| Public works | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Housing and development | - | - | - | - | - | - |
| Committed to: | | | | | | |
| Public works | - | - | - | - | - | - |
| Public works - stormwater | - | - | - | - | - | - |
| Housing and development | - | - | - | - | 1,848,440 | - |
| Unassigned | (97,314) | - | - | - | - | - |
| Total fund balances (deficit) | <u>21,169</u> | <u>135,985</u> | <u>718,259</u> | <u>47,117</u> | <u>1,848,440</u> | <u>334,017</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 133,983</u> | <u>\$ 140,022</u> | <u>\$ 726,867</u> | <u>\$ 47,117</u> | <u>\$ 1,916,439</u> | <u>\$ 334,017</u> |

| TIA Discretionary Projects | NPDES Permit Fees | Transportation and Tourism | Drug Court | DUI Court | Urban Redevelopment Projects | Urban Redevelopment Agency |
|----------------------------------|-------------------------|-------------------------------|-------------------|-------------------|------------------------------------|----------------------------------|
| \$ 7,977,730 | \$ 134,764 | \$ 701,601 | \$ 151,406 | \$ 174,958 | \$ 2,147,494 | \$ - |
| - | - | - | - | - | - | - |
| - | - | - | 8,442 | 24,657 | - | - |
| - | - | - | - | - | - | 449,342 |
| 332,001 | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 4,368,126 |
| <u>\$ 8,309,731</u> | <u>\$ 134,764</u> | <u>\$ 701,601</u> | <u>\$ 159,848</u> | <u>\$ 199,615</u> | <u>\$ 2,147,494</u> | <u>\$ 4,817,468</u> |
| | | | | | | |
| \$ 63,247 | \$ - | \$ 14,825 | \$ - | \$ 3,174 | \$ 23,901 | \$ 1,324 |
| - | - | - | - | 9,801 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 4,576,558 |
| <u>63,247</u> | <u>-</u> | <u>14,825</u> | <u>-</u> | <u>12,975</u> | <u>23,901</u> | <u>4,577,882</u> |
| | | | | | | |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 449,342 |
| - | - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>449,342</u> |
| | | | | | | |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | 186,640 | - | - |
| - | - | - | 159,848 | - | - | - |
| 8,246,484 | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 134,764 | - | - | - | - | - |
| - | - | 686,776 | - | - | 2,123,593 | - |
| - | - | - | - | - | - | (209,756) |
| <u>8,246,484</u> | <u>134,764</u> | <u>686,776</u> | <u>159,848</u> | <u>186,640</u> | <u>2,123,593</u> | <u>(209,756)</u> |
| | | | | | | |
| <u>\$ 8,309,731</u> | <u>\$ 134,764</u> | <u>\$ 701,601</u> | <u>\$ 159,848</u> | <u>\$ 199,615</u> | <u>\$ 2,147,494</u> | <u>\$ 4,817,468</u> |

AUGUSTA, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016**

| | TIA Projects | Total Nonmajor Special Revenue Funds |
|---|-------------------------|---|
| ASSETS | | |
| Cash and cash equivalents | \$ - | \$ 20,280,026 |
| Investments | - | 2,392,033 |
| Taxes receivable | - | 2,228,445 |
| Accounts receivables | 11,313,073 | 12,352,985 |
| Notes receivable | - | 2,891,569 |
| Due from other governments | - | 1,019,707 |
| Due from other funds | - | - |
| Prepaid expenditures | - | 118,483 |
| Restricted cash | - | 4,368,126 |
| Total assets | <u>\$ 11,313,073</u> | <u>\$ 45,651,374</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | |
| LIABILITIES | | |
| Accounts payable | \$ 1,799,072 | \$ 3,161,899 |
| Accrued liabilities | - | 228,167 |
| Unearned revenue | - | 956,338 |
| Due to other funds | 13,098,097 | 17,853,954 |
| Total liabilities | <u>14,897,169</u> | <u>22,200,358</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Unavailable revenue - intergovernmental | 5,147,951 | 5,147,951 |
| Unavailable revenue - notes receivable | - | 2,856,107 |
| Unavailable revenue - property taxes | - | 617,428 |
| Total deferred inflows of resources | <u>5,147,951</u> | <u>8,621,486</u> |
| FUND BALANCES (DEFICIT) | | |
| Nonspendable: | | |
| Prepaid expenditures | - | 118,483 |
| Long-term notes receivable | - | 35,462 |
| Restricted for: | | |
| Judicial | - | 1,088,001 |
| Perpetual care | - | 334,017 |
| Public safety | - | 5,217,227 |
| Public works | - | 8,246,484 |
| Culture and recreation | - | 13,166 |
| Housing and development | - | 2,182,281 |
| Committed to: | | |
| Public works | - | 2,652,177 |
| Public works - stormwater | - | 134,764 |
| Housing and development | - | 4,658,845 |
| Unassigned | (8,732,047) | (9,851,377) |
| Total fund balances (deficit) | <u>(8,732,047)</u> | <u>14,829,530</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 11,313,073</u> | <u>\$ 45,651,374</u> |

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AUGUSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Urban Services District | Emergency Telephone System | Tax Allocation District 1 | Tax Allocation District 2 | Tax Allocation District 3 | Tax Allocation District 4 |
|---|--|---|--|--|--|--|
| Revenues: | | | | | | |
| Property taxes | \$ 4,620,769 | \$ - | \$ - | \$ 142,483 | \$ 561,032 | \$ 25,279 |
| Sales taxes | 4,906,780 | - | - | 598,705 | - | - |
| Other taxes | 11,261 | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | 179,196 | 871,687 | - |
| Charges for services | - | 3,455,344 | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Interest income | 18,658 | 11,317 | - | 695 | 143 | 132 |
| Other revenues | 6,780 | 1,871 | - | - | - | - |
| Total revenues | <u>9,564,248</u> | <u>3,468,532</u> | <u>-</u> | <u>921,079</u> | <u>1,432,862</u> | <u>25,411</u> |
| Expenditures: | | | | | | |
| Current | | | | | | |
| General government | 2,149,485 | - | - | - | - | - |
| Judicial | - | - | - | - | - | - |
| Public safety | - | 3,923,016 | - | - | - | - |
| Public works | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Housing and development | - | - | - | 447,322 | - | 33,958 |
| Debt service | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| Fiscal agent fees | - | - | - | - | - | - |
| Bond issuance cost | - | - | - | - | - | - |
| Total expenditures | <u>2,149,485</u> | <u>3,923,016</u> | <u>-</u> | <u>447,322</u> | <u>-</u> | <u>33,958</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>7,414,763</u> | <u>(454,484)</u> | <u>-</u> | <u>473,757</u> | <u>1,432,862</u> | <u>(8,547)</u> |
| Other financing sources (uses): | | | | | | |
| Proceeds from sale of assets | - | - | - | - | - | - |
| Transfers in | - | 722,730 | - | - | - | - |
| Transfers out | (8,234,480) | - | (18) | - | - | - |
| Total other financing sources (uses) | <u>(8,234,480)</u> | <u>722,730</u> | <u>(18)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | (819,717) | 268,246 | (18) | 473,757 | 1,432,862 | (8,547) |
| Fund balances (deficit), beginning of year | <u>3,471,894</u> | <u>3,244,313</u> | <u>18</u> | <u>180,403</u> | <u>50,491</u> | <u>53,315</u> |
| Fund balances (deficit), end of year | <u>\$ 2,652,177</u> | <u>\$ 3,512,559</u> | <u>\$ -</u> | <u>\$ 654,160</u> | <u>\$ 1,483,353</u> | <u>\$ 44,768</u> |

| Occupational Tax | Special Assessment | Hotel/Motel Tax and Promotion/ Tourism | Housing and Neighborhood Development | Urban Development Action Grant | Federal Drug Fund | State Drug Fund | Downtown Development |
|---------------------|-----------------------|---|--|--------------------------------------|-------------------------|-----------------------|-------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - |
| - | - | 5,872,963 | - | - | - | - | - |
| 3,314,964 | - | - | - | - | - | - | - |
| - | - | - | 3,762,126 | - | - | - | - |
| - | 2,051,514 | - | - | - | - | - | - |
| - | - | - | - | - | 84,831 | 205,979 | - |
| 2,833 | - | - | - | 181 | 1,459 | 2,425 | - |
| 17,965 | - | - | 391,463 | - | - | - | - |
| 3,335,762 | 2,051,514 | 5,872,963 | 4,153,589 | 181 | 86,290 | 208,404 | - |
| 8,969 | 42,020 | - | - | - | - | - | 9,909 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | 47,915 | 145,834 | - |
| - | 5,087,430 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | 4,512,963 | 5,341,026 | 63,137 | - | - | 154,611 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 8,969 | 5,129,450 | 4,512,963 | 5,341,026 | 63,137 | 47,915 | 145,834 | 164,520 |
| 3,326,793 | (3,077,936) | 1,360,000 | (1,187,437) | (62,956) | 38,375 | 62,570 | (164,520) |
| - | - | - | - | - | - | - | - |
| - | 2,358,530 | - | 1,194,920 | - | - | - | 164,520 |
| (3,326,793) | - | (1,360,000) | - | - | - | - | - |
| (3,326,793) | 2,358,530 | (1,360,000) | 1,194,920 | - | - | - | 164,520 |
| - | (719,406) | - | 7,483 | (62,956) | 38,375 | 62,570 | - |
| - | 291,455 | 13,166 | (385,579) | 92,205 | 583,353 | 860,522 | 36 |
| \$ - | \$ (427,951) | \$ 13,166 | \$ (378,096) | \$ 29,249 | \$ 621,728 | \$ 923,092 | \$ 36 |

(Continued)

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Convention Center | Law Library | 5% Victim's Crime Assistance | Supplemental Juvenile Services | Building Inspection | Perpetual Care - I |
|---|------------------------------|------------------------|---|---|--------------------------------|-------------------------------|
| Revenues: | | | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales taxes | 329,747 | - | - | - | - | - |
| Other taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | 1,516,705 | - |
| Intergovernmental | - | - | - | - | - | - |
| Charges for services | 791,626 | 158,521 | - | 3,945 | - | - |
| Fines and forfeitures | - | - | 283,304 | - | - | - |
| Interest income | - | 188 | 1,901 | 159 | 8,024 | 15,680 |
| Other revenues | - | - | - | - | - | - |
| Total revenues | <u>1,121,373</u> | <u>158,709</u> | <u>285,205</u> | <u>4,104</u> | <u>1,524,729</u> | <u>15,680</u> |
| Expenditures: | | | | | | |
| Current | | | | | | |
| General government | - | - | 10,930 | 1,140 | 140,696 | - |
| Judicial | - | 154,195 | 211,314 | 12,425 | - | - |
| Public safety | - | - | - | - | - | - |
| Public works | - | - | - | - | - | - |
| Culture and recreation | 1,437,712 | - | - | - | - | 7,322 |
| Housing and development | - | - | - | - | 1,255,598 | - |
| Debt service | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| Fiscal agent fees | - | - | - | - | - | - |
| Bond issuance cost | - | - | - | - | - | - |
| Total expenditures | <u>1,437,712</u> | <u>154,195</u> | <u>222,244</u> | <u>13,565</u> | <u>1,396,294</u> | <u>7,322</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(316,339)</u> | <u>4,514</u> | <u>62,961</u> | <u>(9,461)</u> | <u>128,435</u> | <u>8,358</u> |
| Other financing sources (uses): | | | | | | |
| Proceeds from sale of assets | - | - | - | - | - | - |
| Transfers in | - | - | 103,230 | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>103,230</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>(316,339)</u> | <u>4,514</u> | <u>166,191</u> | <u>(9,461)</u> | <u>128,435</u> | <u>8,358</u> |
| Fund balances (deficit), beginning of year | <u>337,508</u> | <u>131,471</u> | <u>552,068</u> | <u>56,578</u> | <u>1,720,005</u> | <u>325,659</u> |
| Fund balances (deficit), end of year | <u>\$ 21,169</u> | <u>\$ 135,985</u> | <u>\$ 718,259</u> | <u>\$ 47,117</u> | <u>\$ 1,848,440</u> | <u>\$ 334,017</u> |

| TIA Discretionary Projects | NPDES Permit Fees | Transportation and Tourism | Drug Court | DUI Court | Urban Redevelopment Projects | Urban Redevelopment Agency |
|----------------------------------|-------------------------|-------------------------------|---------------|--------------|------------------------------------|----------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3,339,124 | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 17,511 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 875,249 | - | - | - | - |
| - | - | - | 53,661 | 323,106 | - | - |
| 21,154 | 405 | 3,480 | 539 | 713 | 5,186 | - |
| - | - | - | 6,000 | - | 11,500 | 15,477 |
| 3,360,278 | 17,916 | 878,729 | 60,200 | 323,819 | 16,686 | 15,477 |
| - | - | - | - | - | - | - |
| - | - | - | - | 386,265 | - | - |
| - | - | - | 3,552 | - | - | - |
| 409,929 | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 288,124 | - | - | 1,106,924 | 9,281 |
| - | - | - | - | - | - | 355,000 |
| - | - | - | - | - | - | 1,153,302 |
| - | - | - | - | - | - | 1,802 |
| - | - | - | - | - | - | 1,396 |
| 409,929 | - | 288,124 | 3,552 | 386,265 | 1,106,924 | 1,520,781 |
| 2,950,349 | 17,916 | 590,605 | 56,648 | (62,446) | (1,090,238) | (1,505,304) |
| - | - | - | - | - | - | 5,922 |
| - | - | - | - | 88,410 | 2,700,000 | 650,000 |
| - | - | (1,100,000) | - | - | - | (2,700,000) |
| - | - | (1,100,000) | - | 88,410 | 2,700,000 | (2,044,078) |
| 2,950,349 | 17,916 | (509,395) | 56,648 | 25,964 | 1,609,762 | (3,549,382) |
| 5,296,135 | 116,848 | 1,196,171 | 103,200 | 160,676 | 513,831 | 3,339,626 |
| \$ 8,246,484 | \$ 134,764 | \$ 686,776 | \$ 159,848 | \$ 186,640 | \$ 2,123,593 | \$ (209,756) |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | TIA Projects | Total Nonmajor Special Revenue Funds |
|---|-------------------------|---|
| Revenues: | | |
| Property taxes | \$ - | \$ 5,349,563 |
| Sales taxes | 16,531,814 | 25,706,170 |
| Other taxes | - | 5,884,224 |
| Licenses and permits | - | 4,849,180 |
| Intergovernmental | 1,230,337 | 6,043,346 |
| Charges for services | - | 7,336,199 |
| Fines and forfeitures | - | 950,881 |
| Interest income | - | 95,272 |
| Other revenues | - | 451,056 |
| Total revenues | <u>17,762,151</u> | <u>56,665,891</u> |
| Expenditures: | | |
| Current | | |
| General government | - | 2,363,149 |
| Judicial | - | 764,199 |
| Public safety | - | 4,120,317 |
| Public works | 21,669,777 | 27,167,136 |
| Culture and recreation | - | 1,445,034 |
| Housing and development | - | 13,212,944 |
| Debt service | | |
| Principal | - | 355,000 |
| Interest | - | 1,153,302 |
| Fiscal agent fees | - | 1,802 |
| Bond issuance cost | - | 1,396 |
| Total expenditures | <u>21,669,777</u> | <u>50,584,279</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(3,907,626)</u> | <u>6,081,612</u> |
| Other financing sources (uses): | | |
| Proceeds from sale of assets | - | 5,922 |
| Transfers in | - | 7,982,340 |
| Transfers out | - | (16,721,291) |
| Total other financing sources (uses) | <u>-</u> | <u>(8,733,029)</u> |
| Net change in fund balances | (3,907,626) | (2,651,417) |
| Fund balances (deficit), beginning of year | <u>(4,824,421)</u> | <u>17,480,947</u> |
| Fund balances (deficit), end of year | <u>\$ (8,732,047)</u> | <u>\$ 14,829,530</u> |

AUGUSTA, GEORGIA

SPECIAL REVENUE FUND - URBAN SERVICES DISTRICT SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|------------------------------|---------------------|---------------------|---------------------|
| Revenues: | | | | |
| Property taxes | \$ 4,741,110 | \$ 4,620,769 | \$ (120,341) | \$ 4,801,085 |
| Sales taxes | 5,180,000 | 4,906,780 | (273,220) | 4,657,668 |
| Other taxes | 20,000 | 11,261 | (8,739) | 13,406 |
| Interest income | 10,000 | 18,658 | 8,658 | 18,849 |
| Other revenues | - | 6,780 | 6,780 | - |
| Total revenues | <u>9,951,110</u> | <u>9,564,248</u> | <u>(386,862)</u> | <u>9,491,008</u> |
| Expenditures: | | | | |
| Current | | | | |
| General government | 1,697,130 | 2,149,485 | (452,355) | 1,970,651 |
| Public works | 19,500 | - | 19,500 | - |
| Total expenditures | <u>1,716,630</u> | <u>2,149,485</u> | <u>(432,855)</u> | <u>1,970,651</u> |
| Excess of revenues over expenditures | <u>8,234,480</u> | <u>7,414,763</u> | <u>(819,717)</u> | <u>7,520,357</u> |
| Other financing uses | | | | |
| Transfers out | (8,234,480) | (8,234,480) | - | (8,481,057) |
| Total other financing uses | <u>(8,234,480)</u> | <u>(8,234,480)</u> | <u>-</u> | <u>(8,481,057)</u> |
| Net change in fund balance | - | (819,717) | (819,717) | (960,700) |
| Fund balance, beginning of year | <u>3,471,894</u> | <u>3,471,894</u> | <u>-</u> | <u>4,432,594</u> |
| Fund balance, end of year | <u>\$ 3,471,894</u> | <u>\$ 2,652,177</u> | <u>\$ (819,717)</u> | <u>\$ 3,471,894</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - EMERGENCY TELEPHONE SYSTEM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|--------------------------------------|---------------------|-------------------|------------------------|
| Revenues: | | | | |
| Charges for services | \$ 2,928,000 | \$ 3,455,344 | \$ 527,344 | \$ 3,385,675 |
| Interest income | 2,000 | 11,317 | 9,317 | 6,583 |
| Other revenues | 231,630 | 1,871 | (229,759) | 191 |
| Total revenues | <u>3,161,630</u> | <u>3,468,532</u> | <u>306,902</u> | <u>3,392,449</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public safety | 5,074,820 | 3,923,016 | 1,151,804 | 3,829,150 |
| Total expenditures | <u>5,074,820</u> | <u>3,923,016</u> | <u>1,151,804</u> | <u>3,829,150</u> |
| Deficiency of revenues under expenditures | <u>(1,913,190)</u> | <u>(454,484)</u> | <u>1,458,706</u> | <u>(436,701)</u> |
| Other financing sources | | | | |
| Transfers in | 1,498,170 | 722,730 | (775,440) | 745,270 |
| Total other financing sources | <u>1,498,170</u> | <u>722,730</u> | <u>(775,440)</u> | <u>745,270</u> |
| Net change in fund balance | (415,020) | 268,246 | 683,266 | 308,569 |
| Fund balance, beginning of year | <u>3,244,313</u> | <u>3,244,313</u> | <u>-</u> | <u>2,935,744</u> |
| Fund balance, end of year | <u>\$ 2,829,293</u> | <u>\$ 3,512,559</u> | <u>\$ 683,266</u> | <u>\$ 3,244,313</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - TAX ALLOCATION DISTRICT 1
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|--------------------------------------|---------------|-----------------|------------------------|
| Revenues: | | | | |
| Sales taxes | \$ - | \$ - | \$ - | \$ - |
| Total revenues | - | - | - | - |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | - | - | - | - |
| Total expenditures | - | - | - | - |
| Deficiency of revenues under expenditures | - | - | - | - |
| Other financing sources | | | | |
| Transfers out | - | (18) | (18) | - |
| Total other financing sources | - | (18) | (18) | - |
| Net change in fund balance | - | (18) | (18) | - |
| Fund balance, beginning of year | 18 | 18 | - | 18 |
| Fund balance, end of year | \$ 18 | \$ - | \$ (18) | \$ 18 |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - TAX ALLOCATION DISTRICT 2
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|-------------------|-------------------|------------------------|
| Revenues: | | | | |
| Property taxes | \$ 62,670 | \$ 142,483 | \$ 79,813 | \$ 61,277 |
| Sales taxes | 440,000 | 598,705 | 158,705 | 562,888 |
| Intergovernmental | 79,310 | 179,196 | 99,886 | 75,612 |
| Interest income | - | 695 | 695 | 206 |
| Total revenues | <u>581,980</u> | <u>921,079</u> | <u>339,099</u> | <u>699,983</u> |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | <u>581,980</u> | <u>447,322</u> | <u>134,658</u> | <u>609,197</u> |
| Total expenditures | <u>581,980</u> | <u>447,322</u> | <u>134,658</u> | <u>609,197</u> |
| Net change in fund balance | - | 473,757 | 473,757 | 90,786 |
| Fund balance, beginning of year | <u>180,403</u> | <u>180,403</u> | <u>-</u> | <u>89,617</u> |
| Fund balance, end of year | <u>\$ 180,403</u> | <u>\$ 654,160</u> | <u>\$ 473,757</u> | <u>\$ 180,403</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - TAX ALLOCATION DISTRICT 3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|---------------------|---------------------|------------------------|
| Revenues: | | | | |
| Property taxes | \$ 11,800 | \$ 561,032 | \$ 549,232 | \$ 11,805 |
| Intergovernmental | 18,550 | 871,687 | 853,137 | 18,083 |
| Interest income | - | 143 | 143 | 41 |
| Total revenues | <u>30,350</u> | <u>1,432,862</u> | <u>1,402,512</u> | <u>29,929</u> |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | 30,350 | - | 30,350 | - |
| Total expenditures | <u>30,350</u> | <u>-</u> | <u>30,350</u> | <u>-</u> |
| Net change in fund balance | - | 1,432,862 | 1,432,862 | 29,929 |
| Fund balance, beginning of year | <u>50,491</u> | <u>50,491</u> | <u>-</u> | <u>20,562</u> |
| Fund balance, end of year | <u>\$ 50,491</u> | <u>\$ 1,483,353</u> | <u>\$ 1,432,862</u> | <u>\$ 50,491</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - TAX ALLOCATION DISTRICT 4
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|------------------|-------------------|------------------------|
| Revenues: | | | | |
| Property taxes | \$ 33,380 | \$ 25,279 | \$ (8,101) | \$ 32,954 |
| Interest income | - | 132 | 132 | 41 |
| Total revenues | <u>33,380</u> | <u>25,411</u> | <u>(7,969)</u> | <u>32,995</u> |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | <u>34,000</u> | <u>33,958</u> | <u>42</u> | <u>-</u> |
| Total expenditures | <u>34,000</u> | <u>33,958</u> | <u>42</u> | <u>-</u> |
| Net change in fund balance | (620) | (8,547) | (7,927) | 32,995 |
| Fund balance, beginning of year | <u>53,315</u> | <u>53,315</u> | <u>-</u> | <u>20,320</u> |
| Fund balance, end of year | <u>\$ 52,695</u> | <u>\$ 44,768</u> | <u>\$ (7,927)</u> | <u>\$ 53,315</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - OCCUPATIONAL TAX
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|--------------------|-----------------|------------------------|
| Revenues: | | | | |
| Licenses and permits | \$ 3,261,000 | \$ 3,314,964 | \$ 53,964 | \$ 3,201,683 |
| Interest income | - | 2,833 | 2,833 | 1,105 |
| Other revenues | 19,210 | 17,965 | (1,245) | 7,638 |
| Total revenues | <u>3,280,210</u> | <u>3,335,762</u> | <u>55,552</u> | <u>3,210,426</u> |
| Expenditures: | | | | |
| Current | | | | |
| General government | <u>8,970</u> | <u>8,969</u> | <u>1</u> | <u>8,560</u> |
| Total expenditures | <u>8,970</u> | <u>8,969</u> | <u>1</u> | <u>8,560</u> |
| Excess of revenues over expenditures | <u>3,271,240</u> | <u>3,326,793</u> | <u>55,553</u> | <u>3,201,866</u> |
| Other financing uses | | | | |
| Transfers out | <u>(3,271,240)</u> | <u>(3,326,793)</u> | <u>(55,553)</u> | <u>(3,201,868)</u> |
| Total other financing uses | <u>(3,271,240)</u> | <u>(3,326,793)</u> | <u>(55,553)</u> | <u>(3,201,868)</u> |
| Net change in fund balance | - | - | - | - |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - SPECIAL ASSESSMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|---------------------|--------------------|------------------------|
| Revenues: | | | | |
| Charges for services | \$ 2,523,490 | \$ 2,051,514 | \$ (471,976) | \$ 2,033,318 |
| Total revenues | <u>2,523,490</u> | <u>2,051,514</u> | <u>(471,976)</u> | <u>2,033,318</u> |
| Expenditures: | | | | |
| Current | | | | |
| General government | 49,230 | 42,020 | 7,210 | 37,550 |
| Public works | <u>5,510,850</u> | <u>5,087,430</u> | <u>423,420</u> | <u>5,019,831</u> |
| Total expenditures | <u>5,560,080</u> | <u>5,129,450</u> | <u>430,630</u> | <u>5,057,381</u> |
| Deficiency of revenues under expenditures | <u>(3,036,590)</u> | <u>(3,077,936)</u> | <u>(41,346)</u> | <u>(3,024,063)</u> |
| Other financing sources | | | | |
| Transfers in | <u>2,358,530</u> | <u>2,358,530</u> | <u>-</u> | <u>2,545,000</u> |
| Total other financing sources | <u>2,358,530</u> | <u>2,358,530</u> | <u>-</u> | <u>2,545,000</u> |
| Net change in fund balance | (678,060) | (719,406) | (41,346) | (479,063) |
| Fund balance, beginning of year | <u>291,455</u> | <u>291,455</u> | <u>-</u> | <u>770,518</u> |
| Fund balance (deficit), end of year | <u>\$ (386,605)</u> | <u>\$ (427,951)</u> | <u>\$ (41,346)</u> | <u>\$ 291,455</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - HOTEL/MOTEL TAX AND PROMOTION/TOURISM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|--------------------|------------------|------------------------|
| Revenues: | | | | |
| Other taxes | \$ 6,335,000 | \$ 5,872,963 | \$ (462,037) | \$ 5,574,471 |
| Total revenues | <u>6,335,000</u> | <u>5,872,963</u> | <u>(462,037)</u> | <u>5,574,471</u> |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | <u>4,975,000</u> | <u>4,512,963</u> | <u>462,037</u> | <u>4,217,858</u> |
| Total expenditures | <u>4,975,000</u> | <u>4,512,963</u> | <u>462,037</u> | <u>4,217,858</u> |
| Excess of revenues over expenditures | <u>1,360,000</u> | <u>1,360,000</u> | <u>-</u> | <u>1,356,613</u> |
| Other financing uses | | | | |
| Transfers out | <u>(1,360,000)</u> | <u>(1,360,000)</u> | <u>-</u> | <u>(1,360,000)</u> |
| Total other financing uses | <u>(1,360,000)</u> | <u>(1,360,000)</u> | <u>-</u> | <u>(1,360,000)</u> |
| Net change in fund balance | - | - | - | (3,387) |
| Fund balance, beginning of year | <u>13,166</u> | <u>13,166</u> | <u>-</u> | <u>16,553</u> |
| Fund balance, end of year | <u>\$ 13,166</u> | <u>\$ 13,166</u> | <u>\$ -</u> | <u>\$ 13,166</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - HOUSING AND NEIGHBORHOOD DEVELOPMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|----------------------------|------------------------|----------------------------|
| Revenues: | | | | |
| Intergovernmental | \$ 8,482,030 | \$ 3,762,126 | \$ (4,719,904) | \$ 3,512,838 |
| Other revenues | 704,120 | 391,463 | (312,657) | 45,430 |
| Total revenues | <u>9,186,150</u> | <u>4,153,589</u> | <u>(5,032,561)</u> | <u>3,558,268</u> |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | 10,381,070 | 5,341,026 | 5,040,044 | 4,803,515 |
| Total expenditures | <u>10,381,070</u> | <u>5,341,026</u> | <u>5,040,044</u> | <u>4,803,515</u> |
| Deficiency of revenues under expenditures | <u>(1,194,920)</u> | <u>(1,187,437)</u> | <u>7,483</u> | <u>(1,245,247)</u> |
| Other financing sources | | | | |
| Transfers in | 1,194,920 | 1,194,920 | - | 1,247,010 |
| Total other financing sources | <u>1,194,920</u> | <u>1,194,920</u> | <u>-</u> | <u>1,247,010</u> |
| Net change in fund balance | - | 7,483 | 7,483 | 1,763 |
| Fund balance (deficit), beginning of year | <u>(385,579)</u> | <u>(385,579)</u> | <u>-</u> | <u>(387,342)</u> |
| Fund balance (deficit), end of year | <u><u>\$ (385,579)</u></u> | <u><u>\$ (378,096)</u></u> | <u><u>\$ 7,483</u></u> | <u><u>\$ (385,579)</u></u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - URBAN DEVELOPMENT ACTION GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|------------------|--------------------|------------------------|
| Revenues: | | | | |
| Interest income | \$ 1,280 | \$ 181 | \$ (1,099) | \$ 552 |
| Other revenues | - | - | - | 700 |
| Total revenues | <u>1,280</u> | <u>181</u> | <u>(1,099)</u> | <u>1,252</u> |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | <u>1,280</u> | <u>63,137</u> | <u>(61,857)</u> | <u>4,825</u> |
| Total expenditures | <u>1,280</u> | <u>63,137</u> | <u>(61,857)</u> | <u>4,825</u> |
| Net change in fund balance | - | (62,956) | (62,956) | (3,573) |
| Fund balance, beginning of year | <u>92,205</u> | <u>92,205</u> | <u>-</u> | <u>95,778</u> |
| Fund balance, end of year | <u>\$ 92,205</u> | <u>\$ 29,249</u> | <u>\$ (62,956)</u> | <u>\$ 92,205</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - FEDERAL DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|-------------------|------------------|------------------------|
| Revenues: | | | | |
| Fines and forfeitures | \$ 200,000 | \$ 84,831 | \$ (115,169) | \$ 38,123 |
| Interest income | - | 1,459 | 1,459 | 1,176 |
| Total revenues | 200,000 | 86,290 | (113,710) | 39,299 |
| Expenditures: | | | | |
| Current | | | | |
| Public safety | 200,000 | 47,915 | 152,085 | 21,428 |
| Total expenditures | 200,000 | 47,915 | 152,085 | 21,428 |
| Excess of revenues over expenditures | - | 38,375 | 38,375 | 17,871 |
| Other financing sources | | | | |
| Proceeds from sale of assets | - | - | - | 600 |
| Total other financing sources | - | - | - | 600 |
| Net change in fund balance | - | 38,375 | 38,375 | 18,471 |
| Fund balance, beginning of year | 583,353 | 583,353 | - | 564,882 |
| Fund balance, end of year | <u>\$ 583,353</u> | <u>\$ 621,728</u> | <u>\$ 38,375</u> | <u>\$ 583,353</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - STATE DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|-------------------|------------------|------------------------|
| Revenues: | | | | |
| Fines and forfeitures | \$ 250,000 | \$ 205,979 | \$ (44,021) | \$ 387,123 |
| Interest income | - | 2,425 | 2,425 | 1,842 |
| Total revenues | <u>250,000</u> | <u>208,404</u> | <u>(41,596)</u> | <u>388,965</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public safety | <u>250,000</u> | <u>145,834</u> | <u>104,166</u> | <u>80,333</u> |
| Total expenditures | <u>250,000</u> | <u>145,834</u> | <u>104,166</u> | <u>80,333</u> |
| Net change in fund balance | - | 62,570 | 62,570 | 308,632 |
| Fund balance, beginning of year | <u>860,522</u> | <u>860,522</u> | <u>-</u> | <u>551,890</u> |
| Fund balance, end of year | <u>\$ 860,522</u> | <u>\$ 923,092</u> | <u>\$ 62,570</u> | <u>\$ 860,522</u> |

AUGUSTA, GEORGIA

SPECIAL REVENUE FUND - DOWNTOWN DEVELOPMENT SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|------------------------------|--------------|-------------|----------------|
| Revenues: | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ - |
| Total revenues | - | - | - | - |
| Expenditures: | | | | |
| Current | | | | |
| General government | 9,910 | 9,909 | 1 | 9,617 |
| Housing and development | 154,610 | 154,611 | (1) | 154,610 |
| Total expenditures | 164,520 | 164,520 | - | 164,227 |
| Deficiency of revenues under expenditures | (164,520) | (164,520) | - | (164,227) |
| Other financing sources | | | | |
| Transfers in | 164,520 | 164,520 | - | 164,227 |
| Total other financing sources | 164,520 | 164,520 | - | 164,227 |
| Net change in fund balance | - | - | - | - |
| Fund balance, beginning of year | 36 | 36 | - | 36 |
| Fund balance, end of year | <u>\$ 36</u> | <u>\$ 36</u> | <u>\$ -</u> | <u>\$ 36</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - CONVENTION CENTER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|------------------|---------------------|------------------------|
| Revenues: | | | | |
| Sales taxes | \$ 350,000 | \$ 329,747 | \$ (20,253) | \$ 278,534 |
| Charges for services | 1,111,140 | 791,626 | (319,514) | 822,644 |
| Total revenues | <u>1,461,140</u> | <u>1,121,373</u> | <u>(339,767)</u> | <u>1,101,178</u> |
| Expenditures: | | | | |
| Current | | | | |
| Culture and recreation | 1,461,140 | 1,437,712 | 23,428 | 1,191,696 |
| Total expenditures | <u>1,461,140</u> | <u>1,437,712</u> | <u>23,428</u> | <u>1,191,696</u> |
| Net change in fund balance | - | (316,339) | (316,339) | (90,518) |
| Fund balance, beginning of year | <u>337,508</u> | <u>337,508</u> | <u>-</u> | <u>428,026</u> |
| Fund balance, end of year | <u>\$ 337,508</u> | <u>\$ 21,169</u> | <u>\$ (316,339)</u> | <u>\$ 337,508</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - LAW LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|-------------------|-----------------|------------------------|
| Revenues: | | | | |
| Charges for services | \$ 160,720 | \$ 158,521 | \$ (2,199) | \$ 191,098 |
| Interest income | - | 188 | 188 | 309 |
| Total revenues | <u>160,720</u> | <u>158,709</u> | <u>(2,011)</u> | <u>191,407</u> |
| Expenditures: | | | | |
| Current | | | | |
| Judicial | <u>160,720</u> | <u>154,195</u> | <u>6,525</u> | <u>170,129</u> |
| Total expenditures | <u>160,720</u> | <u>154,195</u> | <u>6,525</u> | <u>170,129</u> |
| Net change in fund balance | - | 4,514 | 4,514 | 21,278 |
| Fund balance, beginning of year | <u>131,471</u> | <u>131,471</u> | <u>-</u> | <u>110,193</u> |
| Fund balance, end of year | <u>\$ 131,471</u> | <u>\$ 135,985</u> | <u>\$ 4,514</u> | <u>\$ 131,471</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - 5% CRIME VICTIM'S ASSISTANCE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|--------------------------------------|-------------------|-------------------|------------------------|
| Revenues: | | | | |
| Fines and forfeitures | \$ 295,000 | \$ 283,304 | \$ (11,696) | \$ 292,899 |
| Interest income | 250 | 1,901 | 1,651 | 1,003 |
| Total revenues | <u>295,250</u> | <u>285,205</u> | <u>(10,045)</u> | <u>293,902</u> |
| Expenditures: | | | | |
| Current | | | | |
| General government | 10,930 | 10,930 | - | 10,200 |
| Judicial | <u>456,190</u> | <u>211,314</u> | <u>244,876</u> | <u>237,121</u> |
| Total expenditures | <u>467,120</u> | <u>222,244</u> | <u>244,876</u> | <u>247,321</u> |
| Excess (deficiency) of revenues over expenditures | <u>(171,870)</u> | <u>62,961</u> | <u>234,831</u> | <u>46,581</u> |
| Other financing sources | | | | |
| Transfers in | <u>171,870</u> | <u>103,230</u> | <u>(68,640)</u> | <u>176,040</u> |
| Total other financing sources | <u>171,870</u> | <u>103,230</u> | <u>(68,640)</u> | <u>176,040</u> |
| Net change in fund balance | - | 166,191 | 166,191 | 222,621 |
| Fund balance, beginning of year | <u>552,068</u> | <u>552,068</u> | <u>-</u> | <u>329,447</u> |
| Fund balance, end of year | <u>\$ 552,068</u> | <u>\$ 718,259</u> | <u>\$ 166,191</u> | <u>\$ 552,068</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - SUPPLEMENTAL JUVENILE SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|------------------|-------------------|------------------------|
| Revenues: | | | | |
| Charges for services | \$ 14,000 | \$ 3,945 | \$ (10,055) | \$ 7,225 |
| Interest income | 1,000 | 159 | (841) | 120 |
| Total revenues | <u>15,000</u> | <u>4,104</u> | <u>(10,896)</u> | <u>7,345</u> |
| Expenditures: | | | | |
| Current | | | | |
| General government | 1,140 | 1,140 | - | 990 |
| Judicial | <u>13,860</u> | <u>12,425</u> | <u>1,435</u> | <u>13,111</u> |
| Total expenditures | <u>15,000</u> | <u>13,565</u> | <u>1,435</u> | <u>14,101</u> |
| Net change in fund balance | - | (9,461) | (9,461) | (6,756) |
| Fund balance, beginning of year | <u>56,578</u> | <u>56,578</u> | <u>-</u> | <u>63,334</u> |
| Fund balance, end of year | <u>\$ 56,578</u> | <u>\$ 47,117</u> | <u>\$ (9,461)</u> | <u>\$ 56,578</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - BUILDING INSPECTION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|---------------------|-------------------|------------------------|
| Revenues: | | | | |
| Licenses and permits | \$ 1,414,680 | \$ 1,516,705 | \$ 102,025 | \$ 1,220,427 |
| Interest income | - | 8,024 | 8,024 | 3,891 |
| Total revenues | <u>1,414,680</u> | <u>1,524,729</u> | <u>110,049</u> | <u>1,224,318</u> |
| Expenditures: | | | | |
| Current | | | | |
| General government | 189,910 | 140,696 | 49,214 | 121,046 |
| Housing and development | <u>1,634,085</u> | <u>1,255,598</u> | <u>378,487</u> | <u>1,043,159</u> |
| Total expenditures | <u>1,823,995</u> | <u>1,396,294</u> | <u>427,701</u> | <u>1,164,205</u> |
| Net change in fund balance | (409,315) | 128,435 | 537,750 | 60,113 |
| Fund balance, beginning of year | <u>1,720,005</u> | <u>1,720,005</u> | - | <u>1,659,892</u> |
| Fund balance, end of year | <u>\$ 1,310,690</u> | <u>\$ 1,848,440</u> | <u>\$ 537,750</u> | <u>\$ 1,720,005</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - PERPETUAL CARE - I
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---------------------------------|--------------------------------------|-------------------|------------------|------------------------|
| Revenues: | | | | |
| Interest income | \$ 16,000 | \$ 15,680 | \$ (320) | \$ 17,241 |
| Total revenues | <u>16,000</u> | <u>15,680</u> | <u>(320)</u> | <u>17,241</u> |
| Expenditures: | | | | |
| Current | | | | |
| Culture and recreation | <u>77,940</u> | <u>7,322</u> | <u>70,618</u> | <u>23,087</u> |
| Total expenditures | <u>77,940</u> | <u>7,322</u> | <u>70,618</u> | <u>23,087</u> |
| Net change in fund balance | (61,940) | 8,358 | 70,298 | (5,846) |
| Fund balance, beginning of year | <u>325,659</u> | <u>325,659</u> | <u>-</u> | <u>331,505</u> |
| Fund balance, end of year | <u>\$ 263,719</u> | <u>\$ 334,017</u> | <u>\$ 70,298</u> | <u>\$ 325,659</u> |

AUGUSTA, GEORGIA

SPECIAL REVENUE FUND - TIA DISCRETIONARY PROJECTS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|------------------------------|---------------------|---------------------|---------------------|
| Revenues: | | | | |
| Sales taxes | \$ 4,011,090 | \$ 3,339,124 | \$ (671,966) | \$ 3,421,038 |
| Interest income | - | 21,154 | 21,154 | 6,857 |
| Total revenues | 4,011,090 | 3,360,278 | (650,812) | 3,427,895 |
| Expenditures: | | | | |
| Current | | | | |
| Public works | 4,550,630 | 409,929 | 4,140,701 | 1,057,505 |
| Total expenditures | 4,550,630 | 409,929 | 4,140,701 | 1,057,505 |
| Excess (deficiency) of revenues over (under) expenditures | (539,540) | 2,950,349 | 3,489,889 | 2,370,390 |
| Other financing uses | | | | |
| Transfers out | (203,580) | - | 203,580 | - |
| Total other financing uses | (203,580) | - | 203,580 | - |
| Net change in fund balance | (743,120) | 2,950,349 | 3,693,469 | 2,370,390 |
| Fund balance, beginning of year | 5,296,135 | 5,296,135 | - | 2,925,745 |
| Fund balance, end of year | <u>\$ 4,553,015</u> | <u>\$ 8,246,484</u> | <u>\$ 3,693,469</u> | <u>\$ 5,296,135</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - NPDES PERMIT FEES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---------------------------------|--------------------------------------|-------------------|------------------|------------------------|
| Revenues: | | | | |
| Licenses and permits | \$ 20,000 | \$ 17,511 | \$ (2,489) | \$ 17,407 |
| Interest income | - | 405 | 405 | 268 |
| Total revenues | <u>20,000</u> | <u>17,916</u> | <u>(2,084)</u> | <u>17,675</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public works | <u>44,000</u> | <u>-</u> | <u>44,000</u> | <u>65,834</u> |
| Total expenditures | <u>44,000</u> | <u>-</u> | <u>44,000</u> | <u>65,834</u> |
| Net change in fund balance | (24,000) | 17,916 | 41,916 | (48,159) |
| Fund balance, beginning of year | <u>116,848</u> | <u>116,848</u> | <u>-</u> | <u>165,007</u> |
| Fund balance, end of year | <u>\$ 92,848</u> | <u>\$ 134,764</u> | <u>\$ 41,916</u> | <u>\$ 116,848</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - TRANSPORTATION AND TOURISM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|--------------------|---------------------|------------------------|
| Revenues: | | | | |
| Charges for services | \$ 900,000 | \$ 875,249 | \$ (24,751) | \$ 874,401 |
| Interest income | - | 3,480 | 3,480 | 3,057 |
| Other revenues | 921,180 | - | (921,180) | - |
| Total revenues | <u>1,821,180</u> | <u>878,729</u> | <u>(942,451)</u> | <u>877,458</u> |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | 721,180 | 288,124 | 433,056 | 148,713 |
| Total expenditures | <u>721,180</u> | <u>288,124</u> | <u>433,056</u> | <u>148,713</u> |
| Excess of revenues over expenditures | <u>1,100,000</u> | <u>590,605</u> | <u>(509,395)</u> | <u>728,745</u> |
| Other financing uses | | | | |
| Transfers out | (1,100,000) | (1,100,000) | - | (550,000) |
| Total other financing uses | <u>(1,100,000)</u> | <u>(1,100,000)</u> | <u>-</u> | <u>(550,000)</u> |
| Net change in fund balance | - | (509,395) | (509,395) | 178,745 |
| Fund balance, beginning of year | <u>1,196,171</u> | <u>1,196,171</u> | <u>-</u> | <u>1,017,426</u> |
| Fund balance, end of year | <u>\$ 1,196,171</u> | <u>\$ 686,776</u> | <u>\$ (509,395)</u> | <u>\$ 1,196,171</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - DRUG COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|-------------------|------------------|------------------------|
| Revenues: | | | | |
| Fines and forfeitures | \$ 135,000 | \$ 53,661 | \$ (81,339) | \$ 123,441 |
| Interest income | - | 539 | 539 | 154 |
| Other revenues | - | 6,000 | 6,000 | - |
| Total revenues | <u>135,000</u> | <u>60,200</u> | <u>(74,800)</u> | <u>123,595</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public safety | <u>173,550</u> | <u>3,552</u> | <u>169,998</u> | <u>71,030</u> |
| Total expenditures | <u>173,550</u> | <u>3,552</u> | <u>169,998</u> | <u>71,030</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(38,550)</u> | <u>56,648</u> | <u>95,198</u> | <u>52,565</u> |
| Other financing sources | | | | |
| Transfers in | <u>38,550</u> | <u>-</u> | <u>(38,550)</u> | <u>-</u> |
| Total other financing sources | <u>38,550</u> | <u>-</u> | <u>(38,550)</u> | <u>-</u> |
| Net change in fund balance | - | 56,648 | 56,648 | 52,565 |
| Fund balance, beginning of year | <u>103,200</u> | <u>103,200</u> | <u>-</u> | <u>50,635</u> |
| Fund balance, end of year | <u>\$ 103,200</u> | <u>\$ 159,848</u> | <u>\$ 56,648</u> | <u>\$ 103,200</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - DUI COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|--------------------------------------|-------------------|------------------|------------------------|
| Revenues: | | | | |
| Fines and forfeitures | \$ 300,000 | \$ 323,106 | \$ 23,106 | \$ 335,093 |
| Interest income | - | 713 | 713 | 511 |
| Total revenues | 300,000 | 323,819 | 23,819 | 335,604 |
| Expenditures: | | | | |
| Current | | | | |
| Judicial | 440,850 | 386,265 | 54,585 | 347,239 |
| Total expenditures | 440,850 | 386,265 | 54,585 | 347,239 |
| Deficiency of revenues under expenditures | (140,850) | (62,446) | 78,404 | (11,635) |
| Other financing sources | | | | |
| Transfers in | 140,850 | 88,410 | (52,440) | 11,700 |
| Total other financing sources | 140,850 | 88,410 | (52,440) | 11,700 |
| Net change in fund balance | - | 25,964 | 25,964 | 65 |
| Fund balance, beginning of year | 160,676 | 160,676 | - | 160,611 |
| Fund balance, end of year | <u>\$ 160,676</u> | <u>\$ 186,640</u> | <u>\$ 25,964</u> | <u>\$ 160,676</u> |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - URBAN REDEVELOPMENT PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|--------------------------------------|---------------|-----------------|------------------------|
| Revenues: | | | | |
| Interest income | \$ - | \$ 5,186 | \$ 5,186 | \$ - |
| Other revenues | - | 11,500 | 11,500 | - |
| Total revenues | - | 16,686 | 16,686 | - |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | 3,200,000 | 1,106,924 | 2,093,076 | 1,063,413 |
| Total expenditures | 3,200,000 | 1,106,924 | 2,093,076 | 1,063,413 |
| Deficiency of revenues under expenditures | (3,200,000) | (1,090,238) | 2,109,762 | (1,063,413) |
| Other financing sources | | | | |
| Transfers in | 2,700,000 | 2,700,000 | - | 1,560,000 |
| Total other financing sources | 2,700,000 | 2,700,000 | - | 1,560,000 |
| Net change in fund balance | (500,000) | 1,609,762 | 2,109,762 | 496,587 |
| Fund balance, beginning of year | 513,831 | 513,831 | - | 17,244 |
| Fund balance, end of year | \$ 13,831 | \$ 2,123,593 | \$ 2,109,762 | \$ 513,831 |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - URBAN REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|---------------|-----------------|------------------------|
| Revenues: | | | | |
| Interest income | \$ - | \$ - | \$ - | \$ 2,019 |
| Other revenues | - | 15,477 | 15,477 | 33,754 |
| Total revenues | - | 15,477 | 15,477 | 35,773 |
| Expenditures: | | | | |
| Current | | | | |
| Housing and development | 2,130 | 9,281 | (7,151) | 7,684 |
| Debt service | | | | |
| Principal | - | 355,000 | (355,000) | 6,710,000 |
| Interest | 1,155,000 | 1,153,302 | 1,698 | 1,135,579 |
| Fiscal agent fees | 4,604 | 1,802 | 2,802 | 4,315 |
| Bond issuance cost | 1,396 | 1,396 | - | 340,150 |
| Total expenditures | 1,163,130 | 1,520,781 | (357,651) | 8,197,728 |
| Deficiency of revenues under expenditures | (1,163,130) | (1,505,304) | (342,174) | (8,161,955) |
| Other financing sources (uses) | | | | |
| Proceeds from issuance of debt | - | - | - | 11,785,098 |
| Proceeds from sale of assets | - | 5,922 | 5,922 | 372,423 |
| Transfers in | 650,000 | 650,000 | - | 550,000 |
| Transfers out | (2,700,000) | (2,700,000) | - | (1,560,000) |
| Total other financing sources (uses) | (2,050,000) | (2,044,078) | 5,922 | 11,147,521 |
| Net change in fund balance | (3,213,130) | (3,549,382) | (336,252) | 2,985,566 |
| Fund balance, beginning of year | 3,339,626 | 3,339,626 | - | 354,060 |
| Fund balance (deficit), end of year | \$ 126,496 | \$ (209,756) | \$ (336,252) | \$ 3,339,626 |

AUGUSTA, GEORGIA

**SPECIAL REVENUE FUND - TIA PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|--------------------------------------|-----------------------|-----------------------|------------------------|
| Revenues: | | | | |
| Sales taxes | \$ 36,394,500 | \$ 16,531,814 | \$ (19,862,686) | \$ 14,516,311 |
| Intergovernmental | - | 1,230,337 | 1,230,337 | - |
| Total revenues | <u>36,394,500</u> | <u>17,762,151</u> | <u>(18,632,349)</u> | <u>14,516,311</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public works | <u>36,394,500</u> | <u>21,669,777</u> | <u>14,724,723</u> | <u>16,944,978</u> |
| Total expenditures | <u>36,394,500</u> | <u>21,669,777</u> | <u>14,724,723</u> | <u>16,944,978</u> |
| Net change in fund balance | - | (3,907,626) | (3,907,626) | (2,428,667) |
| Fund balance (deficit), beginning of year | <u>(4,824,421)</u> | <u>(4,824,421)</u> | <u>-</u> | <u>(2,395,754)</u> |
| Fund balance (deficit), end of year | <u>\$ (4,824,421)</u> | <u>\$ (8,732,047)</u> | <u>\$ (3,907,626)</u> | <u>\$ (4,824,421)</u> |

AUGUSTA, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

2009 GO Sales Tax Bonds Debt Service Fund is used to account for the resources accumulated and payments made for the principal and interest on the General Obligation Sales Tax Bonds, Series 2009. The bonds are to be repaid with funds from SPLOST Phase VI.

2010 GO Sales Tax Bonds Debt Service Fund is used to account for the resources accumulated and payments made for the principal and interest on the General Obligation Sales Tax Bonds, Series 2010. The bonds are to be repaid with funds from SPLOST Phase VI.

2016 GO Sales Tax Bonds Debt Service Fund is used to account for the resources accumulated and payments made for the principal and interest on the General Obligation Sales Tax Bonds, Series 2016. The bonds are to be repaid with funds from SPLOST Phase 7.

Coliseum Authority Revenue Bonds Debt Service Fund is used to account for the resources accumulated and payments made for the principal and interest on the Augusta-Richmond County Coliseum Authority Revenue Bonds, Series 2010.

AUGUSTA, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2016

| | 2009 GO Sales Tax Bonds Debt Service | 2010 GO Sales Tax Bonds Debt Service | 2016 GO Sales Tax Bonds Debt Service | Coliseum Authority Revenue Bonds Debt Service | Total Nonmajor Debt Service Funds |
|--|--|--|--|--|---|
| ASSETS | | | | | |
| Restricted cash | \$ - | \$ - | \$ 28,519,358 | \$ 389,477 | \$ 28,908,835 |
| Total assets | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 28,519,358</u> | <u>\$ 389,477</u> | <u>\$ 28,908,835</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Due to other funds | - | - | - | 84,236 | 84,236 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>84,236</u> | <u>84,236</u> |
| FUND BALANCES | | | | | |
| Restricted for: | | | | | |
| Debt service | - | - | 28,519,358 | 305,241 | 28,824,599 |
| Unassigned | - | - | - | - | - |
| Total fund balances | <u>-</u> | <u>-</u> | <u>28,519,358</u> | <u>305,241</u> | <u>28,824,599</u> |
| Total liabilities and fund balances | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 28,519,358</u> | <u>\$ 389,477</u> | <u>\$ 28,908,835</u> |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | 2009 GO Sales Tax Bonds Debt Service | 2010 GO Sales Tax Bonds Debt Service | 2016 GO Sales Tax Bonds Debt Service | Coliseum Authority Revenue Bonds Debt Service | Total Nonmajor Debt Service Funds |
|--|---|---|---|--|--|
| Revenues: | | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ 370,000 | \$ 370,000 |
| Interest income | - | 117 | 5,204 | 2,262 | 7,583 |
| Total revenues | - | 117 | 5,204 | 372,262 | 377,583 |
| Expenditures: | | | | | |
| Debt service | | | | | |
| Principal | - | - | - | 890,000 | 890,000 |
| Interest | - | - | - | 838,500 | 838,500 |
| Fiscal agent fees | 14 | - | - | 1,800 | 1,814 |
| Bond issuance cost | - | - | 364,797 | - | 364,797 |
| Total expenditures | 14 | - | 364,797 | 1,730,300 | 2,095,111 |
| Excess (deficiency) of revenues over (under) expenditures | (14) | 117 | (359,593) | (1,358,038) | (1,717,528) |
| Other financing sources (uses): | | | | | |
| Proceeds from bond issuance | - | - | 26,115,000 | - | 26,115,000 |
| Premium on bonds issued | - | - | 2,763,951 | - | 2,763,951 |
| Transfers in | 5,352 | - | - | 1,360,000 | 1,365,352 |
| Transfers out | - | (37,875) | - | - | (37,875) |
| Total other financing sources (uses) | 5,352 | (37,875) | 28,878,951 | 1,360,000 | 30,206,428 |
| Net change in fund balances | 5,338 | (37,758) | 28,519,358 | 1,962 | 28,488,900 |
| Fund balances (deficit), beginning of year | (5,338) | 37,758 | - | 303,279 | 335,699 |
| Fund balances, end of year | \$ - | \$ - | \$ 28,519,358 | \$ 305,241 | \$ 28,824,599 |

AUGUSTA, GEORGIA

DEBT SERVICE FUND - 2009 GO SALES TAX BONDS DEBT SERVICE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|------------------------------|-------------|-----------------|-------------------|
| Revenues: | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ - |
| Total revenues | - | - | - | - |
| Expenditures: | | | | |
| Debt service | | | | |
| Principal | - | - | - | 11,800,000 |
| Interest | - | - | - | 472,000 |
| Fiscal agent fees | - | 14 | (14) | 25 |
| Total expenditures | - | 14 | (14) | 12,272,025 |
| Deficiency of revenues under expenditures | - | (14) | (14) | (12,272,025) |
| Other financing sources: | | | | |
| Transfers in | - | 5,352 | 5,352 | 12,273,000 |
| Total other financing sources | - | 5,352 | 5,352 | 12,273,000 |
| Net change in fund balance | - | 5,338 | 5,338 | 975 |
| Fund balance (deficit), beginning of year | (5,338) | (5,338) | - | (6,313) |
| Fund balance (deficit), end of year | <u>\$ (5,338)</u> | <u>\$ -</u> | <u>\$ 5,338</u> | <u>\$ (5,338)</u> |

AUGUSTA, GEORGIA

DEBT SERVICE FUND - 2010 GO SALES TAX BONDS DEBT SERVICE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|--|------------------------------|----------|-------------|----------------|
| Revenues: | | | | |
| Interest income | \$ 100 | \$ 117 | \$ 17 | \$ - |
| Total revenues | 100 | 117 | 17 | - |
| Expenditures: | | | | |
| Debt service | | | | |
| Principal | - | - | - | 5,700,000 |
| Interest | - | - | - | 114,000 |
| Fiscal agent fees | - | - | - | 100 |
| Total expenditures | - | - | - | 5,814,100 |
| Excess of revenues over expenditures | 100 | 117 | 17 | (5,814,100) |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | 5,815,000 |
| Transfers out | - | (37,875) | (37,875) | - |
| Total other financing sources (uses) | - | (37,875) | (37,875) | 5,815,000 |
| Net change in fund balance | 100 | (37,758) | (37,858) | 900 |
| Fund balance, beginning of year | 37,758 | 37,758 | - | 36,858 |
| Fund balance, end of year | \$ 37,858 | \$ - | \$ (37,858) | \$ 37,758 |

AUGUSTA, GEORGIA

DEBT SERVICE FUND - COLISEUM AUTHORITY REVENUE BONDS DEBT SERVICE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|------------------------------|-------------|----------|----------------|
| Revenues: | | | | |
| Property taxes | \$ 370,000 | \$ 370,000 | \$ - | \$ 401,500 |
| Interest income | - | 2,262 | 2,262 | 434 |
| Total revenues | 370,000 | 372,262 | 2,262 | 401,934 |
| Expenditures: | | | | |
| Debt service | | | | |
| Principal | 890,000 | 890,000 | - | 865,000 |
| Interest | 838,500 | 838,500 | - | 864,450 |
| Fiscal agent fees | 1,500 | 1,800 | (300) | 1,350 |
| Total expenditures | 1,730,000 | 1,730,300 | (300) | 1,730,800 |
| Deficiency of revenues under expenditures | (1,360,000) | (1,358,038) | 1,962 | (1,328,866) |
| Other financing sources: | | | | |
| Transfers in | 1,360,000 | 1,360,000 | - | 1,360,000 |
| Total other financing sources | 1,360,000 | 1,360,000 | - | 1,360,000 |
| Net change in fund balance | - | 1,962 | 1,962 | 31,134 |
| Fund balance, beginning of year | 303,279 | 303,279 | - | 272,145 |
| Fund balance, end of year | \$ 303,279 | \$ 305,241 | \$ 1,962 | \$ 303,279 |

AUGUSTA, GEORGIA

DEBT SERVICE FUND - 2016 GO SALES TAX BONDS DEBT SERVICE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016

| | Original and Final Budget | Actual | Variance | 2015 Actual |
|---|------------------------------|---------------|---------------|----------------|
| Revenues: | | | | |
| Interest income | \$ - | \$ 5,204 | \$ 5,204 | \$ - |
| Total revenues | - | 5,204 | 5,204 | - |
| Expenditures: | | | | |
| Debt service | | | | |
| Principal | 28,503,020 | - | 28,503,020 | - |
| Bond issuance cost | 375,930 | 364,797 | 11,133 | - |
| Total expenditures | 28,878,950 | 364,797 | 28,514,153 | - |
| Deficiency of revenues under expenditures | (28,878,950) | (359,593) | 28,519,357 | - |
| Other financing sources: | | | | |
| Bond proceeds | 26,114,999 | 26,115,000 | 1 | - |
| Premium on bonds issued | 2,763,951 | 2,763,951 | - | - |
| Total other financing sources | 28,878,950 | 28,878,951 | 1 | - |
| Net change in fund balance | - | 28,519,358 | 28,519,358 | - |
| Fund balance, beginning of year | - | - | - | - |
| Fund balance, end of year | \$ - | \$ 28,519,358 | \$ 28,519,358 | \$ - |

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AUGUSTA, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

Community Development Fund is used to account for the financing and construction of various community development projects. Financing is provided by grants received from the U.S. Department of Housing and Urban Development.

Capital Outlay Fund is used to account for the disbursement of revenues for all capital expenditures in General Fund departments. Capital expenditures are defined as any non-disposable item over \$500 which includes vehicles, office and computer equipment, communications equipment, building renovations and office furniture.

Law Enforcement Fund is used to account for revenue and capital expenditures of the Sheriff's Department and Jail.

Special Sales Tax Phase II Fund is used to account for financing and construction of various construction and road improvements, drainage, jail improvements, and museums. Financing is to be provided by receipts from a 1991 special one percent local option sales tax referendum.

Special Sales Tax Phase III Fund is used to account for the receipts and disbursements of one percent (1%) sales tax collected from 1996 through 2000. The primary revenue sources are sales taxes, and the primary expenditures are capital outlay projects, primarily for public works, recreation and outside agency projects.

Special Sales Tax Phase IV Fund is used to account for expenditures specifically budgeted from revenue from the one percent (1%) sales tax (Phase IV) collected from the years 2001 through 2006 to be used primarily for public works, recreation and outside agency projects.

Special Sales Tax Phase V Fund is used to account for receipts and disbursements of the one percent (1%) sales tax collected began March 2006 and expired December 2010. The revenue sources are sales tax and earned interest, and expenditures will be for capital outlay projects, primarily for public facilities, public works, recreation, and outside agency projects. The funds will also be used to repay \$44 million bonds issued for the expansion at the Webster Detention Center and the construction of the Augusta Convention Center. Additionally, the funds will be used for the repayment of \$8 million bonds issued by the Canal Authority.

Coliseum and TEE Center Capital Projects Fund is used to account for the costs of acquiring, constructing, and installing certain capital improvements to the existing multi-use coliseum and civic center type facility, known as the Augusta Entertainment Center Complex, and to account for a portion of the costs of acquiring, constructing, and installing a new multi-use coliseum and civic center type facility, to be known as the "Augusta Convention Center and Reynolds Street Parking Deck."

Public Roads Fund is used to account for the receipts and disbursements of projects funded by the local maintenance and improvement grants (LMIG).

AUGUSTA, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2016**

| ASSETS | Community Development | Capital Outlay | Law Enforcement | Special Sales Tax Phase II | Special Sales Tax Phase III |
|---|----------------------------------|---------------------------|----------------------------|---------------------------------------|--|
| Cash and cash equivalents | \$ 137,697 | \$ 57,979 | \$ 332,796 | \$ 124,404 | \$ 8,043,412 |
| Investments | - | 8,757,644 | - | - | 6,573,157 |
| Taxes receivable | - | 348,066 | - | - | - |
| Accounts receivables | - | 269,723 | 14,975 | - | - |
| Interest receivable | - | - | - | - | - |
| Total assets | <u>\$ 137,697</u> | <u>\$ 9,433,412</u> | <u>\$ 347,771</u> | <u>\$ 124,404</u> | <u>\$ 14,616,569</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | \$ - | \$ 472,476 | \$ 4,159 | \$ 43,855 | \$ 16,226 |
| Due to other funds | - | 374,402 | - | - | 12,510 |
| Total liabilities | <u>-</u> | <u>846,878</u> | <u>4,159</u> | <u>43,855</u> | <u>28,736</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable revenue - property taxes | - | 173,580 | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>173,580</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | |
| Restricted for: | | | | | |
| Capital outlay | 137,697 | - | - | 80,549 | 14,587,833 |
| Committed for: | | | | | |
| Capital outlay | - | 8,412,954 | 343,612 | - | - |
| Total fund balances | <u>137,697</u> | <u>8,412,954</u> | <u>343,612</u> | <u>80,549</u> | <u>14,587,833</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 137,697</u> | <u>\$ 9,433,412</u> | <u>\$ 347,771</u> | <u>\$ 124,404</u> | <u>\$ 14,616,569</u> |

| Special Sales Tax Phase IV | Special Sales Tax Phase V | Coliseum and TEE Center Capital Projects | Public Roads | Total Nonmajor Capital Project Funds |
|-------------------------------|------------------------------|---|---------------------|--|
| \$ 11,825,941 | \$ 12,847,944 | \$ - | \$ 5,272,199 | \$ 38,642,372 |
| 6,573,157 | - | - | - | 21,903,958 |
| - | - | - | - | 348,066 |
| 34,758 | 23,244 | - | - | 342,700 |
| 5,317 | 923 | - | - | 6,240 |
| <u>\$ 18,439,173</u> | <u>\$ 12,872,111</u> | <u>\$ -</u> | <u>\$ 5,272,199</u> | <u>\$ 61,243,336</u> |

| | | | | |
|---------------|----------|----------|----------------|------------------|
| \$ 16,341 | \$ - | \$ - | \$ 176,706 | \$ 729,763 |
| - | - | - | - | 386,912 |
| <u>16,341</u> | <u>-</u> | <u>-</u> | <u>176,706</u> | <u>1,116,675</u> |

| | | | | |
|---|---|---|---|---------|
| - | - | - | - | 173,580 |
| - | - | - | - | 173,580 |

| | | | | |
|----------------------|----------------------|-------------|---------------------|----------------------|
| 18,422,832 | 12,872,111 | - | 5,095,493 | 51,196,515 |
| - | - | - | - | 8,756,566 |
| <u>18,422,832</u> | <u>12,872,111</u> | <u>-</u> | <u>5,095,493</u> | <u>59,953,081</u> |
| <u>\$ 18,439,173</u> | <u>\$ 12,872,111</u> | <u>\$ -</u> | <u>\$ 5,272,199</u> | <u>\$ 61,243,336</u> |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Community Development | Capital Outlay | Law Enforcement | Special Sales Tax Phase II | Special Sales Tax Phase III |
|---|----------------------------------|---------------------------|----------------------------|---------------------------------------|--|
| Revenues: | | | | | |
| Property taxes | \$ - | \$ 3,756,706 | \$ - | \$ - | \$ - |
| Sales taxes | - | 331,345 | - | - | - |
| Intergovernmental | - | - | - | - | 1,033,122 |
| Charges for services | - | - | 95,418 | - | - |
| Interest income | - | 8,521 | 998 | 535 | 60,986 |
| Total revenues | - | 4,096,572 | 96,416 | 535 | 1,094,108 |
| Expenditures: | | | | | |
| Capital outlay | - | 3,445,365 | 33,222 | 202,741 | 351,529 |
| Total expenditures | - | 3,445,365 | 33,222 | 202,741 | 351,529 |
| Excess (deficiency) of revenues over (under) expenditures | - | 651,207 | 63,194 | (202,206) | 742,579 |
| Other financing sources (uses): | | | | | |
| Transfers in | - | 321,401 | - | - | - |
| Transfers out | - | - | - | - | - |
| Total other financing sources (uses) | - | 321,401 | - | - | - |
| Net change in fund balances | - | 972,608 | 63,194 | (202,206) | 742,579 |
| Fund balances, beginning of year | 137,697 | 7,440,346 | 280,418 | 282,755 | 13,845,254 |
| Fund balances, end of year | <u>\$ 137,697</u> | <u>\$ 8,412,954</u> | <u>\$ 343,612</u> | <u>\$ 80,549</u> | <u>\$ 14,587,833</u> |

| Special Sales Tax Phase IV | Special Sales Tax Phase V | Coliseum and TEE Center Capital Projects | Public Roads | Total Nonmajor Capital Project Funds |
|-------------------------------|------------------------------|---|-----------------|--|
| \$ - | \$ - | \$ - | \$ - | \$ 3,756,706 |
| - | - | - | - | 331,345 |
| 20,195 | - | - | - | 1,053,317 |
| - | - | - | - | 95,418 |
| 74,698 | 40,514 | 1,991 | 20,757 | 209,000 |
| 94,893 | 40,514 | 1,991 | 20,757 | 5,445,786 |
| 199,331 | 238,659 | - | 2,501,980 | 6,972,827 |
| 199,331 | 238,659 | - | 2,501,980 | 6,972,827 |
| (104,438) | (198,145) | 1,991 | (2,481,223) | (1,527,041) |
| - | - | - | - | 321,401 |
| - | - | (626,134) | - | (626,134) |
| - | - | (626,134) | - | (304,733) |
| (104,438) | (198,145) | (624,143) | (2,481,223) | (1,831,774) |
| 18,527,270 | 13,070,256 | 624,143 | 7,576,716 | 61,784,855 |
| \$ 18,422,832 | \$ 12,872,111 | \$ - | \$ 5,095,493 | \$ 59,953,081 |

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AUGUSTA, GEORGIA

NONMAJOR ENTERPRISE FUNDS

Waste Management Fund is used to account for the provision of landfill services to residents and industries of the Government. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, billing and collection.

Transit Fund is used to account for the operations of the Augusta Public Transit which provides scheduled bus service within Richmond and Columbia counties.

Daniel Field Airport Fund is used to account for revenue and expenses related to Daniel Field Airport.

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2016**

| | Waste Management | Transit | Daniel Field Airport | Total Nonmajor Enterprise Funds |
|---|-----------------------------|---------------------|-------------------------------------|--|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | \$ 24,057,814 | \$ - | \$ 128,968 | \$ 24,186,782 |
| Investments | - | - | 329,009 | 329,009 |
| Accounts receivable, net of allowance | 2,271,062 | 801,321 | 126,010 | 3,198,393 |
| Interest receivable | - | - | 140 | 140 |
| Due from other funds | 17,674,655 | - | - | 17,674,655 |
| Prepaid expenses | 21,402 | - | - | 21,402 |
| Inventory | - | 102,248 | - | 102,248 |
| Restricted cash | 4,066,665 | - | - | 4,066,665 |
| Total current assets | <u>48,091,598</u> | <u>903,569</u> | <u>584,127</u> | <u>49,579,294</u> |
| NONCURRENT ASSETS | | | | |
| Capital assets: | | | | |
| Nondepreciable | 1,548,978 | 1,928,616 | 65,104 | 3,542,698 |
| Depreciable, net of accumulated depreciation | 33,579,047 | 4,183,060 | 1,374,537 | 39,136,644 |
| Total noncurrent assets | <u>35,128,025</u> | <u>6,111,676</u> | <u>1,439,641</u> | <u>42,679,342</u> |
| Total assets | <u>83,219,623</u> | <u>7,015,245</u> | <u>2,023,768</u> | <u>92,258,636</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension | 139,898 | 39,025 | - | 178,923 |
| Total deferred outflows of resources | <u>139,898</u> | <u>39,025</u> | <u>-</u> | <u>178,923</u> |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Payable from current assets: | | | | |
| Accounts payable | 504,105 | 951,676 | 74,010 | 1,529,791 |
| Accrued expenses | 54,611 | 11,209 | - | 65,820 |
| Due to other funds | 347,631 | - | 61,514 | 409,145 |
| Capital lease payable - current portion | 188,764 | - | - | 188,764 |
| Compensated absences - current portion | 68,848 | 16,881 | - | 85,729 |
| | <u>1,163,959</u> | <u>979,766</u> | <u>135,524</u> | <u>2,279,249</u> |
| Payable from restricted assets: | | | | |
| Bonds payable - current portion | 595,000 | - | - | 595,000 |
| | <u>595,000</u> | <u>-</u> | <u>-</u> | <u>595,000</u> |
| Total current liabilities | <u>1,758,959</u> | <u>979,766</u> | <u>135,524</u> | <u>2,874,249</u> |
| NONCURRENT LIABILITIES | | | | |
| Advance from other funds | 298,551 | 4,456,908 | - | 4,755,459 |
| Capital lease payable - long term portion | 258,598 | - | - | 258,598 |
| Bonds payable - long term portion | 7,296,454 | - | - | 7,296,454 |
| Net pension liability | 466,918 | 130,249 | - | 597,167 |
| Landfill postclosure care costs - long term portion | 21,041,499 | - | - | 21,041,499 |
| Total long term liabilities | <u>29,362,020</u> | <u>4,587,157</u> | <u>-</u> | <u>33,949,177</u> |
| Total liabilities | <u>31,120,979</u> | <u>5,566,923</u> | <u>135,524</u> | <u>36,823,426</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension | 16,165 | 4,509 | - | 20,674 |
| Total deferred inflows of resources | <u>16,165</u> | <u>4,509</u> | <u>-</u> | <u>20,674</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 26,789,209 | 6,111,676 | 1,439,641 | 34,340,526 |
| Restricted for debt service | 4,066,665 | - | - | 4,066,665 |
| Unrestricted | 21,366,503 | (4,628,838) | 448,603 | 17,186,268 |
| Total net position | <u>\$ 52,222,377</u> | <u>\$ 1,482,838</u> | <u>\$ 1,888,244</u> | <u>\$ 55,593,459</u> |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Waste Management | Transit | Daniel Field Airport | Total Nonmajor Enterprise Funds |
|--|-----------------------------|---------------------|-------------------------------------|--|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 14,357,646 | \$ 730,452 | \$ 102,614 | \$ 15,190,712 |
| Miscellaneous | 510,924 | 1,167,666 | 16,533 | 1,695,123 |
| Total operating revenues | <u>14,868,570</u> | <u>1,898,118</u> | <u>119,147</u> | <u>16,885,835</u> |
| OPERATING EXPENSES | | | | |
| Personnel costs | 1,381,407 | 484,987 | - | 1,866,394 |
| Cost of sales and service | 1,387,298 | 4,542,616 | 174,293 | 6,104,207 |
| Supplies | 3,523,584 | 845,073 | 17,905 | 4,386,562 |
| Administration | 1,441,123 | - | 7,930 | 1,449,053 |
| Depreciation expense | 2,983,543 | 450,997 | 127,883 | 3,562,423 |
| Total operating expenses | <u>10,716,955</u> | <u>6,323,673</u> | <u>328,011</u> | <u>17,368,639</u> |
| Operating income (loss) | <u>4,151,615</u> | <u>(4,425,555)</u> | <u>(208,864)</u> | <u>(482,804)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest expense | (337,634) | - | - | (337,634) |
| Interest income | 131,930 | - | 2,945 | 134,875 |
| Total nonoperating revenues (expenses) | <u>(205,704)</u> | <u>-</u> | <u>2,945</u> | <u>(202,759)</u> |
| Income (loss) before contributions and transfers | <u>3,945,911</u> | <u>(4,425,555)</u> | <u>(205,919)</u> | <u>(685,563)</u> |
| CAPITAL CONTRIBUTIONS | <u>-</u> | <u>2,973,372</u> | <u>89,279</u> | <u>3,062,651</u> |
| TRANSFERS | | | | |
| Transfers in | - | 3,688,497 | - | 3,688,497 |
| Total transfers | <u>-</u> | <u>3,688,497</u> | <u>-</u> | <u>3,688,497</u> |
| Change in net position | <u>3,945,911</u> | <u>2,236,314</u> | <u>(116,640)</u> | <u>6,065,585</u> |
| NET POSITION, beginning of year | <u>48,276,466</u> | <u>(753,476)</u> | <u>2,004,884</u> | <u>49,527,874</u> |
| NET POSITION, end of year | <u>\$ 52,222,377</u> | <u>\$ 1,482,838</u> | <u>\$ 1,888,244</u> | <u>\$ 55,593,459</u> |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Waste Management | Transit | Daniel Field Airport | Total Nonmajor Enterprise Funds |
|---|-----------------------------|----------------|-------------------------------------|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from customers and users | \$ 4,758,671 | \$ 1,888,935 | \$ 24,134 | \$ 6,671,740 |
| Payments to suppliers | (6,657,775) | (5,457,661) | (136,094) | (12,251,530) |
| Payments to employees | (1,484,646) | (452,281) | - | (1,936,927) |
| Net cash used in operating activities | (3,383,750) | (4,021,007) | (111,960) | (7,516,717) |
| CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Transfers in | - | 3,688,497 | - | 3,688,497 |
| Net cash provided by noncapital and related financing activities | - | 3,688,497 | - | 3,688,497 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Acquisitions of capital assets | (63,385) | (2,640,862) | - | (2,704,247) |
| Principal payments on bonds payable | (575,000) | - | - | (575,000) |
| Principal payments on capital leases | (199,609) | - | - | (199,609) |
| Capital grants received | - | 2,973,372 | 89,279 | 3,062,651 |
| Interest paid | (355,936) | - | - | (355,936) |
| Net cash provided by (used in) capital and related financing activities | (1,193,930) | 332,510 | 89,279 | (772,141) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of investments | - | - | (3,102) | (3,102) |
| Interest received | 131,930 | - | 2,970 | 134,900 |
| Net cash provided by (used in) investing activities | 131,930 | - | (132) | 131,798 |
| Change in cash and cash equivalents | (4,445,750) | - | (22,813) | (4,468,563) |
| Cash and cash equivalents: | | | | |
| Beginning of year | 32,570,229 | - | 151,781 | 32,722,010 |
| End of year | <u>\$ 28,124,479</u> | <u>\$ -</u> | <u>\$ 128,968</u> | <u>\$ 28,253,447</u> |
| Classified as: | | | | |
| Cash and cash equivalents | \$ 24,057,814 | \$ - | \$ 128,968 | \$ 24,186,782 |
| Restricted cash | 4,066,665 | - | - | 4,066,665 |
| | <u>\$ 28,124,479</u> | <u>\$ -</u> | <u>\$ 128,968</u> | <u>\$ 28,253,447</u> |

(continued)

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | Waste Management | Transit | Daniel Field Airport | Total Nonmajor Enterprise Funds |
|---|-----------------------------|-----------------------|-------------------------------------|--|
| Reconciliation of operating income (loss) to net cash used in operating activities: | | | | |
| Operating income (loss) | \$ 4,151,615 | \$ (4,425,555) | \$ (208,864) | \$ (482,804) |
| Adjustments to reconcile operating income (loss) to net cash used in operating activities | | | | |
| Depreciation | 2,983,543 | 450,997 | 127,883 | 3,562,423 |
| Change in assets and liabilities: | | | | |
| Increase in accounts receivable | (1,422,238) | (9,183) | (78,343) | (1,509,764) |
| Decrease in inventory | - | 8,752 | - | 8,752 |
| Increase in due from other funds | (8,340,031) | - | - | (8,340,031) |
| Increase in deferred outflows of resources-pension | (46,096) | (24,965) | - | (71,061) |
| Increase (decrease) in accounts payable | (311,346) | 154,309 | 64,034 | (93,003) |
| Increase in accrued expenses | 5,576 | 762 | - | 6,338 |
| Decrease in due to other funds | - | - | (16,670) | (16,670) |
| Decrease in advance to other funds | (347,630) | (233,795) | - | (581,425) |
| Decrease in deferred inflows of resources-pension | (30,595) | (2,499) | - | (33,094) |
| Increase (decrease) in net pension liability | (26,855) | 56,236 | - | 29,381 |
| Increase in compensated absences | 307 | 3,934 | - | 4,241 |
| Net cash used in operating activities | <u>\$ (3,383,750)</u> | <u>\$ (4,021,007)</u> | <u>\$ (111,960)</u> | <u>\$ (7,516,717)</u> |

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AUGUSTA, GEORGIA
INTERNAL SERVICE FUNDS

Risk Management Fund is used to account for the receipt and disbursement of settlement exposure and damage expense claims, commercial insurance premiums and bond on certain employees and elected officials.

Fleet Operations Fund is used to account for the operation and maintenance of Government vehicles. The Fund bills other Government funds at amounts that will approximately recover all the cost of the services provided.

Workers Compensation Fund is used to account for the receipt and disbursements of workers compensation claims.

Employee Health Benefits Fund is used to account for the receipt and disbursement of employee group health insurance claims.

Unemployment Fund is used to account for the receipt and disbursement of unemployment benefits.

Long-term Disability Insurance Fund is used to account for the receipt and disbursement of long-term disability claims.

GMA Leases Fund is used to account for the receipt and disbursement of the lease pool agreement with the Georgia Municipal Association.

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2016**

| | <u>Risk Management</u> | <u>Fleet Operations</u> | <u>Workers Compensation</u> | <u>Employee Health Benefits</u> | <u>Unemployment</u> |
|--|----------------------------|-----------------------------|---------------------------------|-------------------------------------|---------------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,238,728 | \$ 263,151 | \$ 260,694 | \$ 3,313,152 | \$ - |
| Investments | - | - | - | - | - |
| Due from other funds | - | - | - | - | - |
| Total current assets | <u>1,238,728</u> | <u>263,151</u> | <u>260,694</u> | <u>3,313,152</u> | <u>-</u> |
| NONCURRENT ASSETS | | | | | |
| Advance to other funds | - | - | - | - | - |
| Other assets | - | - | - | - | - |
| Capital assets: | | | | | |
| Depreciable, net of accumulated depreciation | - | 4,420 | - | - | - |
| Total noncurrent assets | <u>-</u> | <u>4,420</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>1,238,728</u> | <u>267,571</u> | <u>260,694</u> | <u>3,313,152</u> | <u>-</u> |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts payable | 4,265 | 390,199 | 260,694 | 681,658 | - |
| Accrued expenses | 12,464 | 4,793 | - | 2,631,494 | - |
| Unearned revenue | 95,813 | - | - | - | - |
| Total current liabilities | <u>112,542</u> | <u>394,992</u> | <u>260,694</u> | <u>3,313,152</u> | <u>-</u> |
| NONCURRENT LIABILITIES | | | | | |
| Certificates of participation | - | - | - | - | - |
| Total long term liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>112,542</u> | <u>394,992</u> | <u>260,694</u> | <u>3,313,152</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Deferred revenue - effective hedge | - | - | - | - | - |
| Total deferred outflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET POSITION | | | | | |
| Investment in capital assets | - | 4,420 | - | - | - |
| Unrestricted (deficit) | 1,126,186 | (131,841) | - | - | - |
| Total net position | <u>\$ 1,126,186</u> | <u>\$ (127,421)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

| Long-term Disability Insurance | GMA Leases | Total Internal Service Funds |
|---|-----------------------|---|
| \$ 34,076 | \$ 73,876 | \$ 5,183,677 |
| - | 13,823,885 | 13,823,885 |
| - | 1,337,580 | 1,337,580 |
| <u>34,076</u> | <u>15,235,341</u> | <u>20,345,142</u> |
| - | 1,327,482 | 1,327,482 |
| - | 4,334,542 | 4,334,542 |
| - | - | 4,420 |
| - | 5,662,024 | 5,666,444 |
| <u>34,076</u> | <u>20,897,365</u> | <u>26,011,586</u> |
| 18,418 | - | 1,355,234 |
| - | - | 2,648,751 |
| - | - | 95,813 |
| <u>18,418</u> | <u>-</u> | <u>4,099,798</u> |
| - | 16,888,000 | 16,888,000 |
| - | 16,888,000 | 16,888,000 |
| <u>18,418</u> | <u>16,888,000</u> | <u>20,987,798</u> |
| - | 4,334,542 | 4,334,542 |
| - | 4,334,542 | 4,334,542 |
| - | - | 4,420 |
| 15,658 | (325,177) | 684,826 |
| <u>\$ 15,658</u> | <u>\$ (325,177)</u> | <u>\$ 689,246</u> |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | <u>Risk Management</u> | <u>Fleet Operations</u> | <u>Workers Compensation</u> | <u>Employee Health Benefits</u> | <u>Unemployment</u> |
|---|----------------------------|-----------------------------|---------------------------------|-------------------------------------|---------------------|
| OPERATING REVENUES | | | | | |
| Charges for services - interfund services | \$ 1,746,569 | \$ 4,479,004 | \$ 4,161,447 | \$ 30,575,313 | \$ 26,633 |
| Miscellaneous | 16,664 | 1,797 | - | - | - |
| Total operating revenues | <u>1,763,233</u> | <u>4,480,801</u> | <u>4,161,447</u> | <u>30,575,313</u> | <u>26,633</u> |
| OPERATING EXPENSES | | | | | |
| Personnel costs | 374,252 | 124,554 | - | - | - |
| Cost of sales and service | 627,429 | 4,158,475 | - | 92,067 | - |
| Supplies | 144,031 | 102,707 | - | - | - |
| Claims and damages | 421,705 | - | 4,154,669 | - | 26,633 |
| Administration | 87,499 | 94,520 | 6,778 | 30,483,246 | - |
| Depreciation expense | - | 545 | - | - | - |
| Total operating expenses | <u>1,654,916</u> | <u>4,480,801</u> | <u>4,161,447</u> | <u>30,575,313</u> | <u>26,633</u> |
| Operating income (loss) | <u>108,317</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Loss on disposal of assets | (305,261) | - | - | - | - |
| Interest expense | - | - | - | - | - |
| Interest income | 4,722 | - | - | - | - |
| Total nonoperating revenues, net | <u>(300,539)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in net position | <u>(192,222)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET POSITION, beginning of year | <u>1,318,408</u> | <u>(127,421)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET POSITION, end of year | <u>\$ 1,126,186</u> | <u>\$ (127,421)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

| Long-term Disability Insurance | GMA Leases | Total Internal Service Funds |
|---|-----------------------|---|
| \$ 223,125 | \$ 1,467,456 | \$ 42,679,547 |
| - | - | 18,461 |
| 223,125 | 1,467,456 | 42,698,008 |
| - | - | 498,806 |
| - | - | 4,877,971 |
| 222,374 | 1,469,900 | 1,939,012 |
| - | - | 4,603,007 |
| 770 | - | 30,672,813 |
| - | - | 545 |
| 223,144 | 1,469,900 | 42,592,154 |
| (19) | (2,444) | 105,854 |
| - | - | (305,261) |
| - | (220,805) | (220,805) |
| 19 | 313,079 | 317,820 |
| 19 | 92,274 | (208,246) |
| - | 89,830 | (102,392) |
| 15,658 | (415,007) | 791,638 |
| \$ 15,658 | \$ (325,177) | \$ 689,246 |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

| | Risk Management | Fleet Operations | Workers Compensation | Employee Health Benefits | Unemployment |
|--|----------------------------|-----------------------------|---------------------------------|-------------------------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from customers and users | \$ 1,763,233 | \$ 4,480,801 | \$ 4,161,447 | \$ 30,575,313 | \$ 26,633 |
| Payments to suppliers | (1,205,889) | (4,324,830) | (4,137,867) | (30,130,895) | (27,616) |
| Payments to employees | (377,109) | (124,554) | - | - | - |
| Net cash provided by (used in) operating activities | 180,235 | 31,417 | 23,580 | 444,418 | (983) |
| CASH FLOWS FROM CAPITAL AND RELATED | | | | | |
| Interest paid | - | - | - | - | - |
| Net cash used in capital and related financing activities | - | - | - | - | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Proceeds from sales of investments | - | - | - | - | - |
| Interest received | 4,722 | - | - | - | - |
| Net cash provided by (used in) investing activities | 4,722 | - | - | - | - |
| Change in cash and cash equivalents | 184,957 | 31,417 | 23,580 | 444,418 | (983) |
| Cash and cash equivalents: | | | | | |
| Beginning of year | 1,053,771 | 231,734 | 237,114 | 2,868,734 | 983 |
| End of year | <u>\$ 1,238,728</u> | <u>\$ 263,151</u> | <u>\$ 260,694</u> | <u>\$ 3,313,152</u> | <u>\$ -</u> |
| Classified as: | | | | | |
| Cash and cash equivalents | <u>\$ 1,238,728</u> | <u>\$ 263,151</u> | <u>\$ 260,694</u> | <u>\$ 3,313,152</u> | <u>\$ -</u> |
| | <u>\$ 1,238,728</u> | <u>\$ 263,151</u> | <u>\$ 260,694</u> | <u>\$ 3,313,152</u> | <u>\$ -</u> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | | |
| Operating income (loss) | \$ 108,317 | \$ - | \$ - | \$ - | \$ - |
| Adjustments to reconcile operating loss to net cash used in operating activities | | | | | |
| Depreciation | - | 545 | - | - | - |
| Change in assets and liabilities: | | | | | |
| Decrease in due from other funds | - | - | - | - | - |
| Decrease in other assets | - | - | - | - | - |
| Decrease in advance from other funds | - | - | - | - | - |
| Increase (decrease) in accounts payable | (21,038) | 30,935 | 23,580 | 358,671 | (983) |
| Increase (decrease) in accrued expenses | (2,857) | (63) | - | 85,747 | - |
| Increase in unearned revenue | 95,813 | - | - | - | - |
| Decrease in deferred revenue - effective hedge | - | - | - | - | - |
| Net cash provided by (used in) operating activities | <u>\$ 180,235</u> | <u>\$ 31,417</u> | <u>\$ 23,580</u> | <u>\$ 444,418</u> | <u>\$ (983)</u> |

| Long-term Disability Insurance | GMA Leases | Total Internal Service Funds |
|---|-----------------------------|---|
| \$ 223,125 (223,039) | \$ 1,854,531 (1,469,900) | \$ 43,085,083 (41,520,036) |
| - | - | (501,663) |
| 86 | 384,631 | 1,063,384 |
| - | (220,805) | (220,805) |
| - | (220,805) | (220,805) |
| - | (420,666) | (420,666) |
| 19 | 313,079 | 317,820 |
| 19 | (107,587) | (102,846) |
| 105 | 56,239 | 739,733 |
| 33,971 | 17,637 | 4,443,944 |
| <u>\$ 34,076</u> | <u>\$ 73,876</u> | <u>\$ 5,183,677</u> |
| <u>\$ 34,076</u> | <u>\$ 73,876</u> | <u>\$ 5,183,677</u> |
| <u>\$ 34,076</u> | <u>\$ 73,876</u> | <u>\$ 5,183,677</u> |
| \$ (19) | \$ (2,444) | \$ 105,854 |
| - | - | 545 |
| - | 337,805 | 337,805 |
| - | 829,787 | 829,787 |
| - | 49,270 | 49,270 |
| 105 | - | 391,270 |
| - | - | 82,827 |
| - | - | 95,813 |
| - | (829,787) | (829,787) |
| <u>\$ 86</u> | <u>\$ 384,631</u> | <u>\$ 1,063,384</u> |

AUGUSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE YEAR ENDED DECEMBER 31, 2016

| SPLOST Phase | Project | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|-------------------------|--------------------------------------|--|---------------------------------------|------------------------|-------------------------|--------------|---|
| Phase I | Pineview Drive | \$ - | \$ 136,416 | \$ 136,416 | \$ - | \$ 136,416 | 100% |
| Phase I | Flood Control Feasibility Study | - | 20,796 | 20,796 | - | 20,796 | 100% |
| Phase I | Small Projects | 181,230 | 181,230 | 181,230 | - | 181,230 | 100% |
| Phase I | Adjusting roadway structure | 100,289 | 82,700 | 82,700 | - | 82,700 | 100% |
| Phase I | Phinizy Swamp drainage | 163,998 | 58,617 | 58,617 | - | 58,617 | 100% |
| Phase I | Stevens Creek /Clausen Road | 358,584 | 361,888 | 299,329 | - | 299,329 | 83% |
| Phase I | Jackson Road widening | 108,776 | 108,776 | 108,776 | - | 108,776 | 100% |
| Phase I | Berkcmans Road | 1,793,000 | 9,441 | 9,441 | - | 9,441 | 100% |
| Phase I | Belair Road Extension | 666,005 | 741,074 | 741,074 | - | 741,074 | 100% |
| Phase I | Turpin Hill Rdwy. | 1,102,076 | 1,020,879 | 1,020,879 | - | 1,020,879 | 100% |
| Phase I | Doug Bernard Parkway | 2,170,763 | 1,874,524 | 1,874,524 | - | 1,874,524 | 100% |
| Phase I | Rocky Creek Tributary | 130,832 | 132,038 | 63,706 | - | 63,706 | 48% |
| Phase I | Hyde Park Drg | 94,945 | 94,945 | 94,945 | - | 94,945 | 100% |
| Phase I | Belair Hills Estate | 33,700 | 33,700 | 33,700 | - | 33,700 | 100% |
| Phase I | Windsor Spring Road, Section I | 2,780,104 | 2,780,104 | 2,780,104 | - | 2,780,104 | 100% |
| Phase I | Windsor Spring Road, Section II | 1,708,213 | 1,707,397 | 1,707,396 | - | 1,707,396 | 100% |
| Phase I | Windsor Spring Road Off-site | 69,793 | 69,793 | 69,793 | - | 69,793 | 100% |
| Phase I | Tobacco Road - Phase II | 1,591,127 | 1,511,764 | 1,511,764 | - | 1,511,764 | 100% |
| Phase I | Barton Chapel Road, Phase II | 1,488,591 | 963,324 | 992,624 | - | 992,624 | 103% |
| Phase I | Peppreidge Drive | 4,150 | 4,150 | 4,150 | - | 4,150 | 100% |
| Phase I | Boykin Rd Drainage | 62,500 | 62,500 | 62,500 | - | 62,500 | 100% |
| Phase I | Hephzibah-McBean/Brothersville | 329,440 | 364,875 | 364,874 | - | 364,874 | 100% |
| Phase I | International Boulevard Extension | 340,000 | 289,800 | 289,800 | - | 289,800 | 100% |
| Phase II | Radio Control RR Switches | - | 100,000 | 100,000 | - | 100,000 | 100% |
| Phase II | Parham Rd Improvement | - | 7,334 | 7,361 | - | 7,361 | 100% |
| Phase II | Camp Angehele Road | - | 12,343 | 12,343 | - | 12,343 | 100% |
| Phase II | Corridor & Gateway Entrance | - | - | - | - | - | 0% |
| Phase II | SR 121 @ Wndsr Spring Traffic | 85,800 | 28,399 | 28,399 | - | 28,399 | 100% |
| Phase II | Pinnacle Place Drg Imp | - | 688,025 | 688,026 | - | 688,026 | 100% |
| Phase II | ARC Drainage Imp Phase I | - | - | - | - | - | 0% |
| Phase II | Walton Way Extension | - | 544,470 | 544,473 | - | 544,473 | 100% |
| Phase II | State Rd 121/US25 Windsor | - | 886,288 | 212,244 | - | 212,244 | 24% |
| Phase II | Traffic Signs Upgrade | - | 50,273 | 50,274 | - | 50,274 | 100% |
| Phase II | Storm Pipe Replacement | - | 143,068 | 141,146 | - | 141,146 | 99% |
| Phase II | Warren Lake - Rock Creek | - | 13,243 | 13,243 | - | 13,243 | 100% |
| Phase II | Winchester Drainage Improvement | - | 441,261 | 220,453 | - | 220,453 | 50% |
| Phase II | Small projects | 417,978 | 239,172 | 239,162 | - | 239,162 | 100% |
| Phase II | NPDES | 504,705 | 515,992 | 515,378 | - | 515,378 | 100% |
| Phase II | JLEC | 2,000,000 | 1,886,471 | 1,809,182 | - | 1,809,182 | 96% |
| Phase II | Bobby Jones Expressway | 284,286 | 237,618 | 237,618 | - | 237,618 | 100% |
| Phase II | Bobby Jones @SR 56 | 187,000 | 171,457 | 171,457 | - | 171,457 | 100% |
| Phase II | Fury's Ferry Rd | 126,500 | - | - | - | - | 0% |
| Phase II | Jackson Road widening | 2,537,671 | 2,318,812 | 2,318,812 | - | 2,318,812 | 100% |
| Phase II | Perimeter Parkway Improvements | 981,820 | 870,614 | 870,614 | - | 870,614 | 100% |
| Phase II | Wrightsboro Road Operational | 251,000 | 210,210 | 210,210 | - | 210,210 | 100% |
| Phase II | Belair Road | 555,851 | 88,600 | 88,600 | - | 88,600 | 100% |
| Phase II | Wheeler Road widening | 1,576,000 | 1,015,885 | 974,456 | - | 974,456 | 96% |
| Phase II | Cane Creek Channel Imp | 1,421,720 | 1,105,881 | 1,105,881 | - | 1,105,881 | 100% |
| Phase II | Rae's Creek Channel Improvement | 1,758,382 | 1,756,878 | 1,756,878 | - | 1,756,878 | 100% |
| Phase II | Olive Road realignment | 134,796 | 134,796 | 7,996 | - | 7,996 | 6% |
| Phase II | North Leg Bridge Widening | 22,000 | - | - | - | - | 0% |
| Phase II | Wheelless Road | 819,500 | 819,500 | 566,348 | - | 566,348 | 69% |
| Phase II | Lakeside Drainage | 323,447 | 265,389 | 265,389 | - | 265,389 | 100% |
| Phase II | Hyde Park | 1,716,000 | 1,048,444 | 1,048,444 | - | 1,048,444 | 100% |
| Phase II | Apple Valley drainage improvements | 769,061 | 769,061 | 755,779 | - | 755,779 | 98% |
| Phase II | SR 4/US1 | 16,500 | 12,413 | 12,413 | - | 12,413 | 100% |
| Phase II | Windsor Spring Road | 1,055,386 | 919,146 | 919,146 | - | 919,146 | 100% |
| Phase II | Tobacco Road | 3,046,858 | 2,736,545 | 2,736,545 | - | 2,736,545 | 100% |
| Phase II | Lock & Dam Road | 404,522 | 364,826 | 364,826 | - | 364,826 | 100% |
| Phase II | Barton Chapel Rd, Phase 1 | 29,300 | 29,300 | 29,300 | - | 29,300 | 100% |
| Phase II | Barton Chapel Road, Phase II | 2,036,000 | 2,769,553 | 2,769,553 | - | 2,769,553 | 100% |
| Phase II | SR 10/US 223 Gordon Highway | 84,500 | 74,893 | 74,893 | - | 74,893 | 100% |
| Phase II | Pepperidge Drive Intersection | 172,177 | 156,358 | 156,358 | - | 156,358 | 100% |
| Phase II | SR 56 at Phinizy | 399,425 | 342,695 | 342,695 | - | 342,695 | 100% |
| Phase II | Fall Line Freeway | 77,000 | - | - | - | - | 0% |
| Phase II | Paving Various Rd., Phase V | 1,200,000 | 725,423 | 725,423 | - | 725,423 | 100% |
| Phase II | Boykin Road Drg. | 1,466,809 | 1,367,118 | 1,367,118 | - | 1,367,118 | 100% |
| Phase II | SR 56 @Old Waynesboro Rd | 416,000 | 461,687 | 461,686 | - | 461,686 | 100% |
| Phase II | Willis Foreman Road Dr. | 350,100 | 440,304 | 440,302 | - | 440,302 | 100% |
| Phase II | Sand Ridge Storm | 341,800 | 218,682 | 218,682 | - | 218,682 | 100% |
| Phase II | SR 56 Old Savannah Road | 552,500 | 375,003 | 375,004 | - | 375,004 | 100% |
| Phase II | Walton Way Extension | 1,385,000 | - | - | - | - | 0% |
| Phase II | Skinner Mill Road Culvert Extension | 153,100 | 11,876 | 11,876 | - | 11,876 | 100% |
| Phase II | Rocky Creek Hazard Mitigation | 717,860 | 62,064 | 62,064 | - | 62,064 | 100% |
| Phase II | Rock Creek / Warren Lake Restoration | - | 1,358,300 | 1,156,179 | 202,099 | 1,358,278 | 100% |
| Phase II | Wayfinding Signage Program | - | 1,000,000 | 1,000,000 | - | 1,000,000 | 100% |
| Phase II | East Augusta drainage | - | 1,147,379 | 1,147,379 | - | 1,147,379 | 100% |
| Phase II | Council Drive | 102,459 | 102,459 | 102,459 | - | 102,459 | 100% |
| Phase II | General Roadway | 361,393 | 361,393 | 361,393 | - | 361,393 | 100% |
| Phase II | Trees and landscaping | 96,000 | 55,477 | 55,476 | - | 55,476 | 100% |
| Phase II | Albion Acres | 142,534 | 142,534 | 142,534 | - | 142,534 | 100% |
| Phase II | 5th Street storm sewer improvements | 154,250 | 70,584 | 70,584 | - | 70,584 | 100% |
| Phase II | 3rd Level Canal cleaning | 700,000 | 733,559 | 588,419 | - | 588,419 | 80% |
| Phase II | Walton Way Reconstruction | 600,000 | 600,000 | 600,000 | - | 600,000 | 100% |
| Phase II | 15th St Utility Relocation | 350,000 | - | - | - | - | 0% |
| Phase II | 9th Street Parking renovation | 50,000 | 1,736 | 1,736 | - | 1,736 | 100% |
| Phase II | Laney -Walker reconstruction | 96,600 | 180,600 | 146,923 | - | 146,923 | 81% |
| Phase II | Rae's Creek | 440,000 | 1,163,167 | 989,578 | - | 989,578 | 85% |
| Phase II | Eisenhower Emergency Driveway | - | 41,754 | 14,346 | - | 14,346 | 34% |
| Phase II | Wayfinding Signage Program | - | 200,500 | 200,500 | - | 200,500 | 100% |

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AUGUSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE YEAR ENDED DECEMBER 31, 2016

| SPLOST Phase | Project | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|-----------------|---|-------------------------------|------------------------------|----------------|-----------------|------------|---|
| Phase II | Delta Cost Sharing | \$ 144,267 | \$ 144,267 | \$ 144,267 | \$ - | \$ 144,267 | 100% |
| Phase III | Sand Hills Park | 50,000 | 48,286 | 48,286 | - | 48,286 | 100% |
| Phase III | Reynolds Park renovation | 63,000 | 48,000 | 47,243 | - | 47,243 | 98% |
| Phase III | Tanglewood Park renovation | 30,000 | 30,000 | 25,849 | - | 25,849 | 86% |
| Phase III | Wood Park | 45,000 | 45,002 | 45,002 | - | 45,002 | 100% |
| Phase III | Lake Olmstead Bike Trail | 90,000 | 90,000 | 90,000 | - | 90,000 | 100% |
| Phase III | Radford Park renovation | 34,868 | 32,679 | 32,679 | - | 32,679 | 100% |
| Phase III | Katherine Street | 145,178 | 152,855 | 153,855 | - | 153,855 | 101% |
| Phase III | Georgia Regional | 927 | 7 | 7 | - | 7 | 100% |
| Phase III | Suburban Forces Capital Equipment II | 1,411,000 | 1,428,614 | 1,391,675 | - | 1,391,675 | 97% |
| Phase III | Butts Memorial Bridge repair | 245,000 | 184,540 | 184,899 | - | 184,899 | 100% |
| Phase III | Phinizy swamp drainage improvement I | 273,884 | 1,443 | 1,443 | - | 1,443 | 100% |
| Phase III | Alexander Drive culvert repair | 36,870 | 34,219 | 34,219 | - | 34,219 | 100% |
| Phase III | Alexander Drive Culvert Repair II | 18,500 | 18,570 | 18,597 | - | 18,597 | 100% |
| Phase III | Raes Creek Channelization IV | 13,325 | 13,194 | 13,194 | - | 13,194 | 100% |
| Phase III | Traffic engineering improvement Phase II | 460,000 | 450,574 | 454,961 | - | 454,961 | 101% |
| Phase III | Paving various roads | 1,026,875 | 518,021 | 518,021 | - | 518,021 | 100% |
| Phase III | Paving Various Roads | - | 829,506 | 564,027 | - | 564,027 | 68% |
| Phase III | Lovers Lane Land Acquisition | - | 357,111 | 195,994 | - | 195,994 | 55% |
| Phase III | Resurfacing Hephzibah McBean Road | - | 330,088 | 333,089 | - | 333,089 | 101% |
| Phase III | Canal Authority | 500,000 | 501,801 | 501,801 | - | 501,801 | 100% |
| Phase III | Arts Council | 100,000 | 100,000 | 97,618 | - | 97,618 | 98% |
| Phase III | Fore Augusta | 100,000 | 100,000 | 100,000 | - | 100,000 | 100% |
| Phase III | Historic Augusta | 100,000 | 100,000 | 100,000 | - | 100,000 | 100% |
| Phase III | Museum | 200,000 | 200,000 | 200,000 | - | 200,000 | 100% |
| Phase III | New Hope Community Center | 100,000 | - | - | - | - | #DIV/0! |
| Phase III | Imperial Theater | 150,000 | 150,000 | 150,000 | - | 150,000 | 100% |
| Phase III | Augusta Mini Theater | 150,000 | 879,174 | 879,174 | - | 879,174 | 100% |
| Phase III | Riverwalk Playground | 40,000 | 41,353 | 40,412 | - | 40,412 | 98% |
| Phase III | ARC drainage improvements Phase I | 116,750 | 94,260 | 94,260 | - | 94,260 | 100% |
| Phase III | ARC drainage improvements Phase II | 53,100 | 50,729 | 50,729 | - | 50,729 | 100% |
| Phase III | SR 56 @ Goshen Road | 88,000 | 362,718 | 362,718 | - | 362,718 | 100% |
| Phase III | Belair Road improvement | 2,361,000 | 2,385,750 | 618,088 | 20,289 | 638,377 | 27% |
| Phase III | Berkman's Road | 2,713,000 | 14,284 | 14,284 | - | 14,284 | 100% |
| Phase III | Courtney's Detention Pond Emer Rep | 70,805 | 71,074 | 69,923 | - | 69,923 | 98% |
| Phase III | Travis/ Plantation Road | 2,361,000 | 368,255 | 183,366 | - | 183,366 | 50% |
| Phase III | Washington Road Sidewalk | 276,000 | 1,311 | 1,311 | - | 1,311 | 100% |
| Phase III | SR 4/15th @cr 2207(Central Ave) | - | 117,434 | 32,233 | - | 32,233 | 27% |
| Phase III | Richmond Hill Rd Sidewalks | - | 117,645 | 117,645 | - | 117,645 | 100% |
| Phase III | Alexander Dr Emergency Repair | - | 74,688 | 75,077 | - | 75,077 | 101% |
| Phase III | Powell Rd Culvert Replacement | - | 234,036 | 234,464 | - | 234,464 | 100% |
| Phase III | Point West Drainage | - | 1,023,399 | 916,292 | - | 916,292 | 90% |
| Phase III | Oates Creek Rehab Proj | - | 843,266 | 213,266 | - | 213,266 | 25% |
| Phase III | Wilkerson Garden | - | 680,543 | 498,983 | - | 498,983 | 73% |
| Phase III | Kimberly Clark Industrial Park | 2,215,000 | 2,215,000 | 962,972 | 119,245 | 1,082,217 | 49% |
| Phase III | Municipal Building | 8,721,250 | 8,610,942 | 8,623,367 | - | 8,623,367 | 100% |
| Phase III | Library (South Richmond) | 700,000 | 709,881 | 654,985 | - | 654,985 | 92% |
| Phase III | Board of Health | 7,000,000 | 7,000,000 | 7,000,000 | - | 7,000,000 | 100% |
| Phase III | Augusta Mini Theater | 850,000 | 856,245 | 816,593 | - | 816,593 | 95% |
| Phase III | Lucy Craft Laney Museum | 800,000 | 762,295 | 762,295 | - | 762,295 | 100% |
| Phase III | Georgia Golf Hall of Fame | 4,000,000 | 4,000,000 | 4,000,000 | - | 4,000,000 | 100% |
| Phase III | Bethlehem Community Ctr | 27,194 | 61,320 | 61,320 | - | 61,320 | 100% |
| Phase III | Administration | 182,795 | 181,816 | 181,816 | - | 181,816 | 100% |
| Phase III | Warren Rd Renovation | 373,249 | 373,249 | 373,249 | - | 373,249 | 100% |
| Phase III | Bennie Ward | 110,000 | 109,508 | 109,508 | - | 109,508 | 100% |
| Phase III | Riverfront Pavilion | 655,648 | 655,561 | 655,561 | - | 655,561 | 100% |
| Phase III | May Park | 525,000 | 522,779 | 522,779 | - | 522,779 | 100% |
| Phase III | West Augusta Soccer Field | 1,000,000 | 999,739 | 999,739 | - | 999,739 | 100% |
| Phase III | WT Johnson renovation | 306,500 | 305,831 | 305,831 | - | 305,831 | 100% |
| Phase III | Belair/Flager Road renovations | 112,650 | 112,602 | 112,602 | - | 112,602 | 100% |
| Phase III | Dyess Park renovation | 192,993 | 192,993 | 192,773 | - | 192,773 | 100% |
| Phase III | South Augusta Recreation Administrative Complex | 7,550,000 | 7,552,419 | 7,552,419 | - | 7,552,419 | 100% |
| Phase III | Aquatic Natatorium | 5,143,000 | 5,140,093 | 5,140,093 | - | 5,140,093 | 100% |
| Phase III | Golden Camp/Belle TERR | 929,119 | 927,925 | 927,925 | - | 927,925 | 100% |
| Phase III | Belle Terrace Renovation | 232,111 | 233,169 | 233,169 | - | 233,169 | 100% |
| Phase III | Elliott Park | 100,000 | 100,089 | 99,911 | - | 99,911 | 100% |
| Phase III | Heath Pool | 5,000 | - | - | - | - | #DIV/0! |
| Phase III | Jones Pool | 35,000 | 35,017 | 35,017 | - | 35,017 | 100% |
| Phase III | Doughty Park | 50,000 | 50,479 | 50,479 | - | 50,479 | 100% |
| Phase III | Eastview Park | 227,500 | 169,161 | 169,161 | - | 169,161 | 100% |
| Phase III | Hephzibah/Carroll Park | 175,358 | 175,185 | 175,185 | - | 175,185 | 100% |
| Phase III | Jamestown Park | 112,566 | 112,566 | 112,566 | - | 112,566 | 100% |
| Phase III | McBean Park | 140,000 | 140,949 | 139,735 | - | 139,735 | 99% |
| Phase III | Minnick Park | 55,000 | 53,849 | 53,849 | - | 53,849 | 100% |
| Phase III | Savannah Place | 245,000 | 248,769 | 244,942 | - | 244,942 | 98% |
| Phase III | Blythe Community Center | 708,000 | 703,302 | 703,302 | - | 703,302 | 100% |
| Phase III | Chafee Park Gym renovation | 124,889 | 14,374 | 14,374 | - | 14,374 | 100% |
| Phase III | Hillside Park renovation | 50,000 | 47,400 | 45,894 | - | 45,894 | 97% |
| Phase III | Lock & Dam renovation | 75,000 | 34,992 | 34,993 | - | 34,993 | 100% |
| Phase III | Julian Smith renovation | 742,207 | 742,182 | 742,182 | - | 742,182 | 100% |
| Phase III | Fleming Building renovation | 100,000 | 90,884 | 90,883 | - | 90,883 | 100% |
| Phase III | Gracewood Park renovation | 152,076 | 152,242 | 202,373 | - | 202,373 | 133% |
| Phase III | Lake Olmstead Park | 43,793 | 43,793 | 43,793 | - | 43,793 | 100% |
| Phase III | Fleming Athletic Complex | 133,850 | 133,170 | 133,170 | - | 133,170 | 100% |
| Phase III | Chester Avenue renovation | 151,500 | 151,500 | 147,926 | - | 147,926 | 98% |
| Phase III | Boykin Road Park | 40,000 | 39,811 | 39,811 | - | 39,811 | 100% |
| Phase III | Eisenhower Park Gym | 1,477,000 | 1,476,000 | 1,476,000 | - | 1,476,000 | 100% |
| Phase III | Suburban Forces Widening | 150,000 | 150,570 | 1,580 | - | 1,580 | 1% |
| Phase III | Suburban forces | 4,143,317 | 1,895,070 | 1,861,072 | - | 1,861,072 | 98% |

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AUGUSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE YEAR ENDED DECEMBER 31, 2016

| SPLOST Phase | Project | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|-----------------|---|-------------------------------|------------------------------|----------------|-----------------|------------|---|
| Phase III | Suburban Forces | \$ 5,000,000 | \$ 195,598 | \$ 255,144 | \$ - | \$ 255,144 | 130% |
| Phase III | Resurfacing various roads Phase V | 633,250 | 602,707 | 603,587 | - | 603,587 | 100% |
| Phase III | General Easement | 50,000 | 51,046 | 37,555 | - | 37,555 | 74% |
| Phase III | Administration | 5,720,000 | 5,902,501 | 5,930,993 | - | 5,930,993 | 100% |
| Phase III | Administration | 1,780,000 | 1,785,159 | 1,682,589 | - | 1,682,589 | 94% |
| Phase III | New Savannah Road | 1,431,000 | 7,535 | 7,535 | - | 7,535 | 100% |
| Phase III | Sidewalk Contract Phase II | 296,000 | 354,116 | 354,116 | - | 354,116 | 100% |
| Phase III | Fury's Ferry Road | 22,000 | 116 | 116 | - | 116 | 100% |
| Phase III | Alexander Drive | 2,022,795 | 6,805,137 | 6,648,810 | - | 6,648,810 | 98% |
| Phase III | Washington Road Sidewalk III | 200,000 | 348 | 348 | - | 348 | 100% |
| Phase III | Old Savannah Road/ Twigg Street | 2,060,000 | 2,079,360 | 1,145,092 | 91,644 | 1,236,736 | 59% |
| Phase III | Stevens Creek/Claussen Road | 1,421,250 | 1,127,009 | 1,127,009 | - | 1,127,009 | 100% |
| Phase III | Forest Park Subdivision drainage | 815,348 | 698,269 | 698,269 | - | 698,269 | 100% |
| Phase III | Bobby Jones Expressway | 165,000 | 444,049 | 115,461 | - | 115,461 | 26% |
| Phase III | Wrightsboro Road | 1,984,000 | 3,325,198 | 2,996,686 | - | 2,996,686 | 90% |
| Phase III | Warren Road | 1,211,000 | 3,213,799 | 2,647,298 | - | 2,647,298 | 82% |
| Phase III | Miscellaneous | 155,425 | 157,013 | 157,013 | - | 157,013 | 100% |
| Phase III | Tanglewood & Kingston s/d drainage | 797,500 | 695,996 | 695,996 | - | 695,996 | 100% |
| Phase III | Hillwood Crest/Whitehead Drive | 358,856 | 247,177 | 247,177 | - | 247,177 | 100% |
| Phase III | Skinner Mill Road Extension | 1,517,311 | 1,519,459 | 1,519,459 | - | 1,519,459 | 100% |
| Phase III | Cook Road & Glendale | 2,811,281 | 1,713,330 | 1,713,330 | - | 1,713,330 | 100% |
| Phase III | Sibley Road Railroad Crossing | 129,950 | 130,444 | 685 | - | 685 | 1% |
| Phase III | Wylids Road Railroad Crossing | 129,950 | 130,444 | 685 | - | 685 | 1% |
| Phase III | Windsor Spring Road | 2,133,000 | 5,906,213 | 4,546,595 | - | 4,546,595 | 77% |
| Phase III | Old Savannah Road | 961,000 | 1,171,425 | 100,275 | - | 100,275 | 9% |
| Phase III | Richmond Hill Road | 1,028,500 | 784,660 | 784,660 | - | 784,660 | 100% |
| Phase III | Bobby Jones Expressway | 110,000 | 36,618 | 36,618 | - | 36,618 | 100% |
| Phase III | Dunham Court | 127,000 | 97,178 | 97,178 | - | 97,178 | 100% |
| Phase III | Wheeler Road Bridge | 13,200 | 13,250 | 13,231 | - | 13,231 | 100% |
| Phase III | Traffic engineering improvements | 111,000 | 91,657 | 91,657 | - | 91,657 | 100% |
| Phase III | SR 4/US 1 | 55,000 | 290 | 290 | - | 290 | 100% |
| Phase III | Marvin Griffin Road | 1,375,600 | 3,496,450 | 1,274,606 | 12,251 | 1,286,857 | 37% |
| Phase III | Antler Drive West drainage improvements | 377,000 | 244,932 | 245,290 | - | 245,290 | 100% |
| Phase III | Morgan Road | 1,571,000 | 5,396,615 | 4,955,408 | - | 4,955,408 | 92% |
| Phase III | Woodcrest /CSX Drainage | 175,400 | 923 | 923 | - | 923 | 100% |
| Phase III | Deans Bridge @Tobacco | 165,000 | 78,613 | 78,613 | - | 78,613 | 100% |
| Phase III | Fall Line Freeway Section II | 55,000 | 290 | 290 | - | 290 | 100% |
| Phase III | Paving various roads Phase IV & V | 269,209 | 270,627 | 270,627 | - | 270,627 | 100% |
| Phase III | Paving various roads Phase VI | 950,000 | 176,130 | 176,130 | - | 176,130 | 100% |
| Phase III | Willis Foreman Road | 147,751 | 138,533 | 138,533 | - | 138,533 | 100% |
| Phase III | Birdwell Road Wetlands Bank | 11,000 | 58 | 58 | - | 58 | 100% |
| Phase III | McCombs Road Section I | 790,884 | 712,838 | 712,838 | - | 712,838 | 100% |
| Phase III | McCombs Road Section II | 961,665 | 722,511 | 722,511 | - | 722,511 | 100% |
| Phase III | Library | 1,700,000 | 1,701,742 | 1,701,649 | - | 1,701,649 | 100% |
| Phase III | Animal Control renovation | 1,220,946 | 979,527 | 979,528 | - | 979,528 | 100% |
| Phase III | New administrative offices | 2,350,000 | 2,377,325 | 1,183,514 | - | 1,183,514 | 50% |
| Phase III | Shiloh Community Center | 575,000 | 575,000 | 560,948 | - | 560,948 | 98% |
| Phase III | Springfield Baptist Church | 1,300,000 | 1,275,732 | 1,275,732 | - | 1,275,732 | 100% |
| Phase III | New Hope Community Ctr | 250,000 | 250,000 | 250,000 | - | 250,000 | 100% |
| Phase III | Beulah Grove | 200,000 | 200,000 | 200,000 | - | 200,000 | 100% |
| Phase III | Hyde Park renovation | 122,350 | 97,402 | 91,955 | - | 91,955 | 94% |
| Phase III | Central Park renovation | 70,000 | 65,375 | 65,375 | - | 65,375 | 100% |
| Phase III | Bayvale Park renovation | 26,000 | 9,021 | 6,984 | - | 6,984 | 77% |
| Phase III | Heard Avenue Park renovation | 6,000 | 3,883 | 3,883 | - | 3,883 | 100% |
| Phase III | Troup St Pk Renovation | 10,000 | - | - | - | - | #DIV/0! |
| Phase III | Hickman Park renovation | 100,000 | 91,044 | 80,831 | - | 80,831 | 89% |
| Phase III | McDuffie Woods Park renovation | 150,000 | 148,330 | 148,330 | - | 148,330 | 100% |
| Phase III | Meadowbrook Park renovation | 45,000 | 47,554 | 47,216 | - | 47,216 | 99% |
| Phase III | Julian Smith BBQ renovation | 187,000 | 186,558 | 186,558 | - | 186,558 | 100% |
| Phase III | Blount Park renovation | 19,000 | 2,600 | 2,600 | - | 2,600 | 100% |
| Phase III | Augusta Canal Master | 100,000 | 103,312 | 103,312 | - | 103,312 | 100% |
| Phase III | Big Oak Park renovation | 65,000 | 65,230 | 47,118 | - | 47,118 | 72% |
| Phase III | Wood Street South Ball Field | 47,000 | 47,234 | 44,858 | - | 44,858 | 95% |
| Phase III | Wood Lake Park renovation | 100,000 | 100,834 | 98,963 | - | 98,963 | 98% |
| Phase III | Royal (Barrett) Park renovation | 12,000 | 5,086 | 5,086 | - | 5,086 | 100% |
| Phase III | Garrett | 500,000 | 500,000 | 500,000 | - | 500,000 | 100% |
| Phase III | West Vineland Park renovation | 20,000 | 20,119 | 20,119 | - | 20,119 | 100% |
| Phase III | Bedford Heights | 35,000 | 35,215 | 32,262 | - | 32,262 | 92% |
| Phase III | 4 - H Camp Park renovation | 20,000 | 18,830 | 17,478 | - | 17,478 | 93% |
| Phase III | Resurfacing various roads Phase VI | 1,350,000 | 1,123,739 | 1,123,739 | - | 1,123,739 | 100% |
| Phase III | Suburban Forces Capital Equipment | 1,664,000 | 1,670,778 | 1,717,688 | - | 1,717,688 | 103% |
| Phase III | Railroad Street slope repair | 289,500 | 33,459 | 33,459 | - | 33,459 | 100% |
| Phase III | Wheeler Road Signal Plan Analysis | 10,000 | 7,799 | 7,799 | - | 7,799 | 100% |
| Phase III | Gordon Highway median barrier | 185,000 | 185,783 | 3,554 | - | 3,554 | 2% |
| Phase III | Mason Road Bridge @ Claudia | 275,000 | 197,329 | 197,329 | - | 197,329 | 100% |
| Phase III | Bungalow Road | 776,000 | 3,964,567 | 3,146,617 | - | 3,146,617 | 79% |
| Phase III | Woodlake Subdivision | 939,000 | 942,567 | 43,817 | - | 43,817 | 5% |
| Phase III | Pepperidge Point Retention Pond | 50,000 | 32,667 | 32,677 | - | 32,677 | 100% |
| Phase III | Windsor Spring Rd Sec IV | - | 1,582,042 | 1,589,199 | - | 1,589,199 | 100% |
| Phase III | Windsor Spring Rd Sec V | - | 2,604,840 | 2,487,967 | 72,992 | 2,560,959 | 98% |
| Phase III | Flood control feasibility | 1,637,649 | 2,778,036 | 2,778,036 | - | 2,778,036 | 100% |
| Phase III | Dover-Lyman Project | - | 2,008,170 | 33,198 | 19,254 | 52,452 | 3% |
| Phase III | Wrightsboro Road Adaptive Traffic Control | - | 389,118 | 62,929 | - | 62,929 | 16% |
| Phase III | Washington Road Adaptive Traffic Control | - | 164,850 | 119,058 | - | 119,058 | 72% |
| Phase III | Broad Street Sanitary Sewer | - | 240,447 | 144,004 | - | 144,004 | 60% |
| Phase III | Interstate Parkway Storm Drainage | - | 56,807 | 56,790 | - | 56,790 | 100% |
| Phase III | Hyde Park Drainage Improvements | - | 1,223,499 | 1,223,499 | - | 1,223,499 | 100% |
| Phase III | P and Z Handicap Project | - | 170,660 | 142,410 | 11,900 | 154,310 | 90% |
| Phase III | Frontage Road Resurfacing | - | 230,000 | 229,335 | - | 229,335 | 100% |
| Phase III | NSC Discovery Center | 1,500,000 | 1,500,000 | 1,500,000 | - | 1,500,000 | 100% |
| Phase III | P and Z Handicap Access | 26,250 | 26,250 | 26,250 | - | 26,250 | 100% |

(continued)

AUGUSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE YEAR ENDED DECEMBER 31, 2016

| SPLOST Phase | Project | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|-----------------|--|-------------------------------|------------------------------|----------------|-----------------|------------|---|
| Phase III | Augusta Canal - hand rail | \$ 50,000 | \$ 50,133 | \$ 50,133 | \$ - | \$ 50,133 | 100% |
| Phase III | Laney Walker Boulevard | - | 2,486,984 | 2,486,984 | - | 2,486,984 | 100% |
| Phase III | Adjusting Roadway Structure V | - | 72,369 | 72,369 | - | 72,369 | 100% |
| Phase III | Discovery Center Ent | 353,137 | 352,954 | 352,954 | - | 352,954 | 100% |
| Phase III | St. Sebastian Extension | 1,368,969 | 1,651,504 | 1,647,366 | - | 1,647,366 | 100% |
| Phase III | 2nd Street Outfall | 762,760 | 1,546,089 | 1,546,089 | - | 1,546,089 | 100% |
| Phase III | 6th Street handicap ramp | 517,347 | 625,358 | 611,966 | - | 611,966 | 98% |
| Phase III | Turknett Springs Detention | 228,161 | 337,300 | 306,132 | - | 306,132 | 91% |
| Phase III | Augusta Commons | 1,825,291 | 3,652,638 | 3,652,638 | - | 3,652,638 | 100% |
| Phase III | CSO | 10,500,000 | 10,546,852 | 9,629,637 | - | 9,629,637 | 91% |
| Phase III | Wetlands | 10,500,000 | 10,508,941 | 9,591,726 | - | 9,591,726 | 91% |
| Phase III | Third Level Canal Cleaning | 491,506 | 500,339 | 495,478 | - | 495,478 | 99% |
| Phase III | Walton Way reconstruction | 1,273,638 | 1,275,936 | 1,277,021 | - | 1,277,021 | 100% |
| Phase III | Augusta Canal | 950,000 | 1,955,937 | 1,885,044 | - | 1,885,044 | 96% |
| Phase III | Goodale Landing | 124,030 | 101,706 | 101,706 | - | 101,706 | 100% |
| Phase III | Resurfacing various streets | 3,406,729 | 214,225 | 214,225 | - | 214,225 | 100% |
| Phase III | Resurfacing various streets 1996 | 127,935 | 128,275 | 128,275 | - | 128,275 | 100% |
| Phase III | Resurfacing Various Roads | 756,500 | 519,928 | 519,928 | - | 519,928 | 100% |
| Phase III | Street & drainage improvement | 694,599 | 145,550 | 145,550 | - | 145,550 | 100% |
| Phase III | Administration | 2,774,251 | 2,779,256 | 2,376,389 | - | 2,376,389 | 86% |
| Phase III | East Augusta drainage | 35,450 | - | - | - | - | #DIV/0! |
| Phase III | Jackson Road widening | 200,000 | 200,000 | 200,000 | - | 200,000 | 100% |
| Phase III | Perimeter Parkway | 25,000 | 9,458 | 9,458 | - | 9,458 | 100% |
| Phase III | Crane Creek | 150,000 | 399 | 399 | - | 399 | 100% |
| Phase III | Belair Rd Ext | 75,000 | 75,005 | 75,005 | - | 75,005 | 100% |
| Phase III | Rae's Creek Channel Phase II | 257,000 | 683 | 683 | - | 683 | 100% |
| Phase III | Centennial Park Fountain | 85,000 | 85,594 | 81,443 | - | 81,443 | 95% |
| Phase III | Paving various roads | 50,000 | 50,090 | 133 | - | 133 | 0% |
| Phase III | Rae's Creek Trunk/Sewer | - | 1,112,325 | 808,993 | - | 808,993 | 73% |
| Phase III | Street Drainage Improvement - East Augusta | - | 1,013,736 | 879,054 | 3,955 | 883,009 | 87% |
| Phase III | Berkman Road Sidewalk | - | 3,809 | 3,809 | - | 3,809 | 100% |
| Phase III | 3rd Ave / Nellieville Guardrail | - | 27,320 | 24,420 | - | 24,420 | 89% |
| Phase III | Floyd Creek Drainage Improvement | - | 10,180 | - | - | - | 0% |
| Phase III | Adjusting Rd/Way Structure | 200,000 | 62,498 | 62,498 | - | 62,498 | 100% |
| Phase III | Immaculate Conception | 250,000 | 503,281 | 253,281 | - | 253,281 | 50% |
| Phase III | Willow Creek | 40,000 | 70 | 70 | - | 70 | 100% |
| Phase III | Georgia Golf Hall of Fame | 2,000,000 | 2,000,000 | 2,000,000 | - | 2,000,000 | 100% |
| Phase III | Laney Walker @ East B | 15,000 | 34 | 34 | - | 34 | 100% |
| Phase IV | 4- H Club Road | 41,000 | 65,480 | 65,232 | - | 65,232 | 100% |
| Phase IV | Bob Baurle Boat Landing | 150,000 | 104,069 | 100,326 | - | 100,326 | 96% |
| Phase IV | May Park | 120,000 | 130,022 | 124,773 | - | 124,773 | 96% |
| Phase IV | Old Government House | 120,000 | 124,100 | 123,423 | - | 123,423 | 99% |
| Phase IV | The Boathouse | 90,000 | 105,866 | 104,537 | - | 104,537 | 99% |
| Phase IV | Elliot Park | 400,000 | 418,785 | 403,899 | - | 403,899 | 96% |
| Phase IV | Savannah Place Park | 455,000 | 860,104 | 843,553 | - | 843,553 | 98% |
| Phase IV | Augusta Soccer Complex | 120,000 | 131,890 | 130,865 | - | 130,865 | 99% |
| Phase IV | Diamond Lakes Regional Park | 5,800,000 | 1,697,163 | 1,699,174 | - | 1,699,174 | 100% |
| Phase IV | McDuffie Woods Center | 90,000 | 7,188 | 8,161 | - | 8,161 | 114% |
| Phase IV | Augusta Aquatics Center | 180,000 | 187,263 | 184,783 | - | 184,783 | 99% |
| Phase IV | Augusta Golf Course (*1) | 1,600,000 | 1,612,422 | 1,611,649 | - | 1,611,649 | 100% |
| Phase IV | Belle Terrace Park | 120,000 | 51,557 | 51,447 | - | 51,447 | 100% |
| Phase IV | Blythe Recreation Center | 120,000 | 124,157 | 110,685 | - | 110,685 | 89% |
| Phase IV | Brookfield Park | 1,200,000 | 1,254,681 | 1,252,082 | - | 1,252,082 | 100% |
| Phase IV | Warren Road Center | 120,000 | 147,228 | 131,499 | - | 131,499 | 89% |
| Phase IV | McBean Community Center | 1,020,000 | 1,161,469 | 1,161,467 | - | 1,161,467 | 100% |
| Phase IV | Transit (purchase buses) | 250,000 | 385,336 | 77,681 | - | 77,681 | 20% |
| Phase IV | Additional funds required to build a new Shelter | 1,000,000 | 1,256,184 | 1,256,183 | - | 1,256,183 | 100% |
| Phase IV | Board of Health | 2,000,000 | 2,000,000 | 2,000,000 | - | 2,000,000 | 100% |
| Phase IV | Materials for new facilities | 1,000,000 | 1,027,405 | 1,027,404 | - | 1,027,404 | 100% |
| Phase IV | JLEC (Re-roofing at 401 Walton Way) | 395,500 | 413,807 | 200,666 | - | 200,666 | 48% |
| Phase IV | Phinizy Road Jail, JLEC and 911 | 282,500 | 202,034 | 196,410 | - | 196,410 | 97% |
| Phase IV | Records Retention Building Roof | 107,400 | 110,546 | 110,547 | - | 110,547 | 100% |
| Phase IV | JLEC (Replace exterior finish) | 565,000 | 978,791 | 632,102 | - | 632,102 | 65% |
| Phase IV | Judicial/Courts Building | 20,000,000 | 28,064,546 | 26,059,024 | - | 26,059,024 | 93% |
| Phase IV | Tree replacement | 398,000 | 387,635 | 387,291 | - | 387,291 | 100% |
| Phase IV | Irrigation automation | 102,000 | 150,782 | 150,643 | - | 150,643 | 100% |
| Phase IV | Payoff existing leases | 4,084,637 | 3,430,393 | 3,430,388 | - | 3,430,388 | 100% |
| Phase IV | Construction of Station # 7 (Willis Foreman Road Area) | 1,500,000 | 1,510,886 | 1,410,852 | - | 1,410,852 | 93% |
| Phase IV | Combine Station # 1and #19 (East Boundary & Broad Area) | 1,521,000 | 1,635,180 | 1,633,737 | - | 1,633,737 | 100% |
| Phase IV | Construction of Station # 19 | 1,479,000 | 1,489,679 | 1,425,037 | - | 1,425,037 | 96% |
| Phase IV | County Forces | 3,672,500 | 4,605,514 | 4,419,638 | - | 4,419,638 | 96% |
| Phase IV | Miscellaneous grading & drainage | 4,650,000 | 4,032,636 | 3,903,684 | - | 3,903,684 | 97% |
| Phase IV | Resurfacing County Forces | 5,975,000 | 1,609,111 | 1,538,772 | - | 1,538,772 | 96% |
| Phase IV | Resurfacing | 8,500,000 | 11,128,220 | 9,293,686 | - | 9,293,686 | 84% |
| Phase IV | Paving various dirt roads | 7,000,000 | 3,450,668 | 3,392,355 | - | 3,392,355 | 98% |
| Phase IV | Rail Road crossing improvement | 750,000 | 825,258 | 101,238 | - | 101,238 | 12% |
| | Downtown traffic signal & street light- upgrades-A (Broad Street Area) | | | | | | |
| Phase IV | Area) | 2,656,200 | 3,155,000 | 3,151,577 | - | 3,151,577 | 100% |
| Phase IV | Area) | 1,469,000 | 1,524,760 | 1,362,369 | 59,731 | 1,422,100 | 93% |
| Phase IV | East Boundary improvements | 1,318,700 | 6,497,352 | 6,318,568 | - | 6,318,568 | 97% |
| Phase IV | Wheeler Road operational | 433,600 | 52,674 | 52,674 | - | 52,674 | 100% |
| Phase IV | Wrightsboro Road Widening Phase I | 3,143,700 | 3,499,470 | 1,299,282 | 20,150 | 1,319,432 | 38% |
| Phase IV | Washington Road Intersection | 849,800 | 1,548,183 | 1,328,853 | - | 1,328,853 | 86% |
| Phase IV | Hollywood S/D Area | 2,640,800 | 325,163 | 325,160 | - | 325,160 | 100% |
| Phase IV | Telephone system upgrade | 527,082 | 535,811 | 535,812 | - | 535,812 | 100% |
| Phase IV | GIS | 474,400 | 482,274 | 475,060 | - | 475,060 | 99% |
| Phase IV | Document imaging system | 418,518 | 425,586 | 425,588 | - | 425,588 | 100% |
| Phase IV | Springfield Village | 200,000 | 200,000 | 81,284 | - | 81,284 | 41% |
| Phase IV | Dyess Park | 60,000 | 65,882 | 65,743 | - | 65,743 | 100% |
| Phase IV | Newman Tennis Center | 120,000 | 123,020 | 114,958 | - | 114,958 | 93% |
| Phase IV | South Augusta Branch Library | 1,625,000 | 5,926,028 | 5,713,015 | - | 5,713,015 | 96% |

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AUGUSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE YEAR ENDED DECEMBER 31, 2016

| SPLOST Phase | Project | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|-----------------|---|-------------------------------|------------------------------|----------------|-----------------|--------------|---|
| Phase IV | Library - main branch | \$ 7,375,000 | \$ 9,925,122 | \$ 9,899,693 | \$ - | \$ 9,899,693 | 100% |
| Phase IV | Greene Street Property Purchase | - | 1,084,585 | 1,084,585 | - | 1,084,585 | 100% |
| Phase IV | Construction of Station #8 | 1,500,000 | 1,500,957 | 1,438,500 | - | 1,438,500 | 96% |
| Phase IV | Station 15 (Wrightsboro Road) | 1,500,000 | 1,699,791 | 1,690,789 | - | 1,690,789 | 99% |
| Phase IV | Engines | 3,484,000 | 3,454,544 | 3,454,540 | - | 3,454,540 | 100% |
| Phase IV | Aerials | 1,300,000 | 1,312,973 | 1,311,971 | - | 1,311,971 | 100% |
| Phase IV | Construction of Station #12 (Heph Mcbean Area) | 1,500,000 | 1,341,361 | 1,275,233 | - | 1,275,233 | 95% |
| Phase IV | Paving various dirt roads | 1,000,000 | 920,725 | 346,883 | - | 346,883 | 38% |
| Phase IV | East Boundary Street & drainage improvements | 1,318,700 | 203,632 | 171,413 | - | 171,413 | 84% |
| Phase IV | Wrightsboro Road improvements | 1,500,000 | 1,733,383 | 1,765,965 | - | 1,765,965 | 102% |
| Phase IV | Walton Way Extension / Davis Road | 350,000 | 356,940 | 82,892 | - | 82,892 | 23% |
| Phase IV | Windsor Spring Road Section IV | 1,250,000 | 1,300,500 | 307,298 | - | 307,298 | 24% |
| Phase IV | Windsor Spring Rd Section V(SR88 Hepzibah | - | 1,257,484 | 7,484 | - | 7,484 | 1% |
| Phase IV | St. Sebastian Way/Greene St/ 15th Street | 3,457,800 | 14,085,185 | 14,051,417 | - | 14,051,417 | 100% |
| Phase IV | Traffic improvement | 621,500 | 857,352 | 839,626 | - | 839,626 | 98% |
| Phase IV | ANIC/Hopkins Street Improvements | 2,000,000 | 1,333,550 | 1,074,423 | - | 1,074,423 | 81% |
| Phase IV | Windsor Spring Road Section IV (Willis Foreman To Tobacco Road) | 678,000 | 869,518 | 850,639 | - | 850,639 | 98% |
| Phase IV | Rifle Range Road @ Belair Road | 62,200 | 5,981 | 5,981 | - | 5,981 | 100% |
| Phase IV | Lake Olmstead Park | 425,000 | 456,222 | 456,221 | - | 456,221 | 100% |
| Phase IV | Bernie Ward | - | 106,111 | 95,267 | - | 95,267 | 90% |
| Phase IV | Fleming Tennis | - | 100,195 | 100,195 | - | 100,195 | 100% |
| Phase IV | Meadowbrook Park | - | 90,899 | 91,633 | - | 91,633 | 101% |
| Phase IV | Hepzibah Community Ctr | - | 84,885 | 61,753 | - | 61,753 | 73% |
| Phase IV | DDA | - | 859,248 | 796,471 | - | 796,471 | 93% |
| Phase IV | St Sebastian Way/Greene St | - | 728,524 | 133,524 | - | 133,524 | 18% |
| Phase IV | Belair Hills Est Imp(W&S) | - | 112,603 | 112,605 | - | 112,605 | 100% |
| Phase IV | ARC Drainage | - | 1,185,200 | 1,185,200 | - | 1,185,200 | 100% |
| Phase IV | Resurfacing PH VIII | - | 1,088,851 | 1,088,852 | - | 1,088,852 | 100% |
| Phase IV | Lake Aumond Dam Improvements | - | 121,204 | 108,221 | - | 108,221 | 89% |
| Phase IV | Belair Hills Estate | - | 7,147,891 | 7,085,345 | - | 7,085,345 | 99% |
| Phase IV | Walton Way Extension/Davis Rd | - | 84,357 | 84,357 | - | 84,357 | 100% |
| Phase IV | Windsor Spring Rd Section V(SR88 Hepzibah | - | 1,219,170 | 1,140,726 | 61,630 | 1,202,356 | 99% |
| Phase IV | Apple Valley Park | - | 34,871 | 34,104 | - | 34,104 | 98% |
| Phase IV | Pension Property Purchase | - | 1,272,514 | 1,272,514 | - | 1,272,514 | 100% |
| Phase IV | Replacement of Old Equipment | - | 577,908 | 579,906 | - | 579,906 | 100% |
| Phase IV | Remodel Stations 3,4,11,13,14 & 17 | - | 324,729 | 324,729 | - | 324,729 | 100% |
| Phase IV | Remodel Station #4 | - | 111,629 | 111,629 | - | 111,629 | 100% |
| Phase IV | Remodel Station #6 | - | 1,360,818 | 1,360,818 | - | 1,360,818 | 100% |
| Phase IV | Fire Training Center | - | 737,607 | 737,607 | - | 737,607 | 100% |
| Phase IV | Laney Stadium | - | 3,521,074 | 3,521,074 | - | 3,521,074 | 100% |
| Phase IV | Augusta Museum of History | - | 1,140,036 | 1,132,902 | - | 1,132,902 | 99% |
| Phase IV | 13th Street Streetscape | - | 100,125 | 3,625 | - | 3,625 | 4% |
| Phase IV | Barrett Plaza Lighting | - | 95,470 | 95,470 | - | 95,470 | 100% |
| Phase IV | Pension Property Cleanup | - | 2,490,068 | 2,490,062 | - | 2,490,062 | 100% |
| Phase IV | Remodel Station #3 | - | 238,175 | 238,175 | - | 238,175 | 100% |
| Phase IV | Willis Foreman Road Bridge Study | - | 241,942 | 155,773 | - | 155,773 | 64% |
| Phase IV | Willis Foreman Road Bridge | - | 2,433,570 | 1,558,210 | - | 1,558,210 | 64% |
| Phase IV | Remodel Station #11 | - | 106,435 | 106,435 | - | 106,435 | 100% |
| Phase IV | Construction Station #10 - Land | - | 758,801 | 732,086 | - | 732,086 | 96% |
| Phase IV | Training Tower and Burn Simulator | - | 1,551,850 | 1,551,850 | - | 1,551,850 | 100% |
| Phase IV | Renovation of Administrative Center | - | 2,934,271 | 2,567,798 | - | 2,567,798 | 88% |
| Phase IV | Paving Various Roads - Phase X | - | 2,010,859 | 1,983,467 | - | 1,983,467 | 99% |
| Phase IV | Construction Station #10 | - | 2,152,334 | 1,993,803 | - | 1,993,803 | 93% |
| Phase IV | Augusta Levee Certification | - | 1,078,786 | 1,078,932 | - | 1,078,932 | 100% |
| Phase IV | Rocky Creek Drainage Project | - | 3,878,788 | 912,550 | - | 912,550 | 24% |
| Phase IV | Broad Street Improvements@ Bus Terminal | - | 238,159 | 235,579 | - | 235,579 | 99% |
| Phase IV | Turknett Springs Detention | - | 299,700 | 141,465 | - | 141,465 | 47% |
| Phase IV | Bus Barn | - | 3,397,379 | 2,800,507 | - | 2,800,507 | 82% |
| Phase IV | Industry Infrastructure | - | 822,627 | 785,408 | - | 785,408 | 95% |
| Phase IV | Bulter Creek Park | - | 86,204 | 86,204 | - | 86,204 | 100% |
| Phase IV | On Call Construction Services | - | 324,500 | 266,680 | 57,820 | 324,500 | 100% |
| Phase IV | Village West Storm Drainage | - | 413,144 | 409,381 | - | 409,381 | 99% |
| Phase IV | Gordon Highway Adaptive Traffic Control | - | 343,501 | 342,777 | - | 342,777 | 100% |
| Phase IV | Frontage Road | - | 942,839 | 927,123 | - | 927,123 | 98% |
| Phase IV | On Call Appraisal Service | - | 134,000 | 102,946 | - | 102,946 | 77% |
| Phase IV | Wrightsboro Road Drainage | - | 900,000 | 875,725 | - | 875,725 | 97% |
| Phase IV | Sand Hills Park | 1,080,000 | 2,279,464 | 1,195,646 | - | 1,195,646 | 52% |
| Phase V | Judicial Center - County Court House | 40,016,200 | 40,256,351 | 38,743,273 | - | 38,743,273 | 96% |
| Phase V | Webster Detention Center | 36,000,000 | 41,635,948 | 41,305,632 | - | 41,305,632 | 99% |
| Phase V | Exhibit Hall | 20,000,000 | 32,198,161 | 31,141,801 | - | 31,141,801 | 97% |
| Phase V | Sheriff Administration Relocation | 3,000,000 | 550,000 | 518,171 | - | 518,171 | 94% |
| Phase V | RCCI Renovations | 750,000 | 814,110 | 813,227 | - | 813,227 | 100% |
| Phase V | Augusta Regional Airport - Helo Base | - | 787,550 | 773,550 | - | 773,550 | 98% |
| Phase V | Main Library | 14,700,000 | 14,727,172 | 14,727,172 | - | 14,727,172 | 100% |
| Phase V | Augusta Canal Improvements | 2,500,000 | 2,500,000 | 2,500,000 | - | 2,500,000 | 100% |
| Phase V | Augusta Canal Bond Repayment | 8,200,555 | 8,200,555 | 8,200,555 | - | 8,200,555 | 100% |
| Phase V | Bond Debt Service | 5,417,800 | 5,417,800 | - | - | - | 0% |
| Phase V | Redundant Fiber Ring | 1,000,000 | 1,410,632 | 1,310,616 | 938 | 1,311,554 | 93% |
| Phase V | Digital Othophotography | 286,480 | 374,721 | 453,070 | - | 453,070 | 121% |
| Phase V | Pictometry | 113,520 | 117,568 | 116,645 | - | 116,645 | 99% |
| Phase V | Wireless Access Point | 200,000 | 202,079 | 196,809 | - | 196,809 | 97% |
| Phase V | Disaster Recovery Plan | 400,000 | 412,635 | 409,441 | - | 409,441 | 99% |
| Phase V | Software Application Consolidation | - | 1,024,663 | 317,924 | - | 317,924 | 31% |
| Phase V | Flood Land Acquisition | 500,000 | 2,100,000 | 2,059,152 | - | 2,059,152 | 98% |
| Phase V | Wrightsboro Road Project | 4,000,000 | 3,500,000 | - | - | - | 0% |
| Phase V | D'Antignac Street Flood Avoidance | 1,000,000 | 4,837,815 | 4,835,482 | - | 4,835,482 | 100% |
| Phase V | Administration - Engineering | 2,500,000 | 3,141,780 | 3,130,111 | 11,663 | 3,141,774 | 100% |
| Phase V | Marks Church Road Improvement | 2,500,000 | 2,391,770 | 1,793,424 | 115,327 | 1,908,751 | 80% |
| Phase V | Fire Stations & Training Center | 6,000,000 | 6,000,000 | - | - | - | 0% |
| Phase V | Lake Olmstead Stadium | 360,000 | 400,000 | 399,927 | - | 399,927 | 100% |
| Phase V | Augusta Soccer Park | 180,000 | 180,077 | 165,629 | - | 165,629 | 92% |

(continued)

AUGUSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE YEAR ENDED DECEMBER 31, 2016

| SPLOST Phase | Project | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|-------------------------|--|--|---------------------------------------|------------------------|-------------------------|--------------|---|
| Phase V | The Boat House | \$ 90,000 | \$ 90,000 | \$ 90,000 | \$ - | \$ 90,000 | 100% |
| Phase V | Apple Valley Park | 315,000 | 315,559 | 300,554 | - | 300,554 | 95% |
| Phase V | WT Johnson Park | 67,500 | 67,500 | 63,636 | - | 63,636 | 94% |
| Phase V | MM Scott Park | 270,000 | 271,999 | 233,923 | - | 233,923 | 86% |
| Phase V | Diamond Lakes Park | 720,000 | 785,020 | 782,324 | - | 782,324 | 100% |
| Phase V | Jamestown Park | 135,000 | 198,989 | 197,938 | - | 197,938 | 99% |
| Phase V | Wood Park | 270,000 | 270,000 | 270,946 | - | 270,946 | 100% |
| Phase V | Valley Park | 22,500 | 22,541 | 13,407 | - | 13,407 | 59% |
| Phase V | Goshen/Brown Road Park | 135,000 | 135,000 | - | - | - | 0% |
| Phase V | McDuffie Woods Park | 90,000 | 91,982 | 91,950 | - | 91,950 | 100% |
| Phase V | McBean Park | 180,000 | 180,122 | 179,461 | - | 179,461 | 100% |
| Phase V | Fleming Tennis Center | 112,500 | 113,754 | 112,591 | - | 112,591 | 99% |
| Phase V | Lock and Dam Park | 49,500 | 51,709 | 51,689 | - | 51,689 | 100% |
| Phase III | Martin Luther King drainage | 273,794 | 727 | 727 | - | 727 | 100% |
| Phase III | Inter City Arts - Imperial | 300,000 | 300,000 | 225,000 | - | 225,000 | 75% |
| Phase V | May Park | 67,500 | 67,500 | 67,500 | - | 67,500 | 100% |
| Phase V | HH Brigham Park | 117,000 | 117,019 | 116,684 | - | 116,684 | 100% |
| Phase V | Land Acquisition | 180,000 | 253,010 | 224,452 | 22,398 | 246,850 | 98% |
| Phase V | Dyess Park | 63,000 | 63,588 | 33,106 | - | 33,106 | 52% |
| Phase V | Brookfield Park | 45,000 | 45,025 | 41,294 | - | 41,294 | 92% |
| Phase V | Lake Olmstead Park | 207,000 | 207,000 | 200,888 | - | 200,888 | 97% |
| Phase V | Blythe Park | 180,000 | 255,900 | 168,378 | 87,480 | 255,858 | 100% |
| Phase V | Newman Tennis Center | 108,000 | 108,277 | 108,870 | - | 108,870 | 101% |
| Phase V | Meadowbrook Park | 108,000 | 108,000 | 81,203 | - | 81,203 | 75% |
| Phase V | Administration - Recreation | 500,000 | 657,042 | 643,572 | 851 | 644,423 | 98% |
| Phase V | Augusta Marina | 67,500 | 67,500 | 67,103 | - | 67,103 | 99% |
| Phase V | Old Government House | 45,000 | 45,000 | 40,700 | - | 40,700 | 90% |
| Phase V | Doughty Park | 27,000 | 27,216 | 14,662 | - | 14,662 | 54% |
| Phase V | Fleming Park | 67,500 | 67,514 | 62,882 | - | 62,882 | 93% |
| Phase V | Hickman Park | 27,000 | 27,040 | 4,240 | - | 4,240 | 16% |
| Phase V | Aquatics Center | 90,000 | 90,041 | 86,574 | - | 86,574 | 96% |
| Phase V | Boykin Road Park | 27,000 | 27,000 | - | - | - | 0% |
| Phase V | Eisenhower Park | 45,000 | 45,908 | 44,405 | - | 44,405 | 97% |
| Phase V | Warren Road Park | 31,500 | 31,506 | 29,976 | - | 29,976 | 95% |
| Phase V | Carrie Mays Park - CNG Remediation | - | 326,371 | 365,166 | - | 365,166 | 112% |
| Phase V | Brigham Park Tennis Courts | - | 24,659 | 15,407 | - | 15,407 | 62% |
| Phase V | Imperial Theater | 500,000 | 500,000 | 500,000 | - | 500,000 | 100% |
| Phase V | Augusta Mini Theater | 500,000 | 500,000 | 500,000 | - | 500,000 | 100% |
| Phase V | Lucy Craft Laney Museum | 200,000 | 203,036 | 184,734 | - | 184,734 | 91% |
| Phase V | The MACH Academy | 100,000 | 100,000 | 100,001 | - | 100,001 | 100% |
| Phase V | Recreation, Historic, Cultural and Other Buildings | 400,000 | 405,010 | 198,496 | - | 198,496 | 49% |
| Phase V | Augusta Museum | 400,000 | 400,000 | 400,000 | - | 400,000 | 100% |
| Phase V | City of Hephzibah | 3,104,000 | 3,325,960 | 3,325,957 | - | 3,325,957 | 100% |
| Phase V | City of Blythe | 912,000 | 977,220 | 977,214 | - | 977,214 | 100% |
| Phase VI | Sheriffs New Administration Building | 6,000,000 | 9,800,000 | 9,789,577 | - | 9,789,577 | 100% |
| Phase VI | Webster Detention Center - Phase IIB | 18,000,000 | 18,000,000 | 16,861,431 | 211,386 | 17,072,817 | 95% |
| Phase VI | Boathouse Community Facility | 450,000 | 450,000 | 428,668 | - | 428,668 | 95% |
| Phase VI | Lake Olmstead Casino | 500,000 | 500,000 | 116,436 | - | 116,436 | 23% |
| Phase VI | Lake Olmstead BBQ Pit | 100,000 | 100,000 | 46,683 | - | 46,683 | 47% |
| Phase VI | Bulter Creek Park | 500,000 | 800,000 | 854,692 | - | 854,692 | 107% |
| Phase VI | Baurle Boat Ramp | 55,000 | 55,000 | 44,977 | - | 44,977 | 82% |
| Phase VI | Bush Field | 8,500,000 | 8,500,000 | 4,664,038 | 1,480,189 | 6,144,227 | 72% |
| Phase VI | Daniel Field | 2,000,000 | 2,000,000 | 2,000,000 | - | 2,000,000 | 100% |
| Phase VI | Golden Harvest Food Bank Building | 250,000 | 250,000 | 250,000 | - | 250,000 | 100% |
| Phase VI | Program Administrations | 2,000,000 | 2,000,000 | 314,721 | 714,563 | 1,029,284 | 51% |
| Phase VI | Grading and Drainage Projects | 3,600,000 | 3,500,000 | 3,497,465 | (12,817) | 3,484,648 | 100% |
| Phase VI | Marvin Griffin Road | 4,000,000 | 4,000,000 | 1,350 | - | 1,350 | 0% |
| Phase VI | East Augusta St. & Drainage Imp. | 3,200,000 | 3,900,000 | 3,874,236 | 21,836 | 3,896,072 | 100% |
| Phase VI | Berckman Rd. Realignment | 400,000 | 425,000 | 415,596 | - | 415,596 | 98% |
| Phase VI | Old McDuffie Rd. | 672,000 | 672,000 | 2,960 | 4,643 | 7,603 | 1% |
| Phase VI | Hyde Park St. & Drg Imp. | 1,600,000 | 4,500,000 | 4,488,104 | - | 4,488,104 | 100% |
| Phase VI | Westside Dr. Drg. Imp. | 480,000 | 480,000 | - | - | - | 0% |
| Phase VI | Marks Church Road over Raes Creek | 800,000 | 800,000 | - | - | - | 0% |
| Phase VI | North Leg over CSX Railroad | 800,000 | 800,000 | - | - | - | 0% |
| Phase VI | Berckman Rd. over Raes Creek | 800,000 | 775,000 | 293,056 | 295,187 | 588,243 | 76% |
| Phase VI | Scotts Way over Raes Creek | 800,000 | 800,000 | - | - | - | 0% |
| Phase VI | Old Waynesboro Rd. over Spirit Creek | 800,000 | 800,000 | - | - | - | 0% |
| Phase VI | 7th Street over Augusta Canal | 800,000 | 800,000 | - | - | - | 0% |
| Phase VI | Storm water Utility Implementation Program | 2,800,000 | 2,800,000 | 2,582,571 | 231,230 | 2,813,801 | 100% |
| Phase VI | On-Call Emergency Design Services | 108,000 | 108,000 | - | - | - | 0% |
| Phase VI | On-Call Emergency Appraisal Services | 40,000 | 40,000 | 26,602 | - | 26,602 | 67% |
| Phase VI | On-Call Emergency Construction Services | 800,000 | 800,000 | 342,546 | 106,318 | 448,864 | 56% |
| Phase VI | Traffic Sign Upgrade Program | 240,000 | 240,000 | 29,872 | 166,307 | 196,179 | 82% |
| Phase VI | Lake Olmstead Dredging | 3,200,000 | 3,200,000 | - | - | - | 0% |
| Phase VI | Hyde Park (Martin Luther King Drive) | 1,000,000 | 2,400,000 | 2,411,524 | - | 2,411,524 | 100% |
| Phase VI | Rocky Creek Drainage Plan | 2,800,000 | 2,800,000 | 350,175 | 59,876 | 410,051 | 15% |
| Phase VI | Suburban Forces-Resurfacing | 2,400,000 | 2,400,000 | 1,212,287 | 22,654 | 1,234,941 | 51% |
| Phase VI | Tree Removal, Pruning and Replacement | 800,000 | 1,100,000 | 1,088,062 | - | 1,088,062 | 99% |
| Phase VI | Sidewalks-Rehab-Replacement | 800,000 | 800,000 | 578,376 | - | 578,376 | 72% |
| Phase VI | Curb Cuts and Sidewalks | 400,000 | 650,000 | 617,568 | 35,866 | 653,434 | 101% |
| Phase VI | Resurfacing - Contracts | 2,400,000 | 2,150,000 | 931,922 | 108,951 | 1,040,873 | 48% |
| Phase VI | General Bridge Rehab and Maintenance | 2,400,000 | 2,400,000 | 533,230 | 663,513 | 1,196,743 | 50% |
| Phase VI | Walton Way Signal Phase 2 and Streetlight Upgrade | 640,000 | 640,000 | - | 88,393 | 88,393 | 14% |
| Phase VI | Gordon Highway Lighting Upgrade | 1,200,000 | 1,200,000 | - | - | - | 0% |
| Phase VI | Reynolds Street Signal Improvements | 460,000 | 460,000 | 108,771 | - | 108,771 | 24% |
| Phase VI | Signal Upgrades | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase VI | Intersection Safety and Operational Initiative | 2,040,000 | 2,040,000 | 698,994 | 18,380 | 717,374 | 35% |

(continued)

AUGUSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE YEAR ENDED DECEMBER 31, 2016

| SPLOST Phase | Project | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|-------------------------|--|--|---------------------------------------|------------------------|-------------------------|--------------|---|
| Phase VI | Woodbine Road Improvement | \$ 1,200,000 | \$ - | \$ - | \$ - | \$ - | 0% |
| Phase VI | Dover-Lyman Street & Drainage Improvement | 1,600,000 | - | - | - | - | 0% |
| Phase VI | I-20 Eastbound Riverwatch Ramp | 1,100,000 | 1,100,000 | 264,282 | - | 264,282 | 24% |
| Phase VI | 15th Street Pedestrian Improvements | 800,000 | 800,000 | 367,954 | - | 367,954 | 46% |
| Phase VI | Administration - Engineering | 10,770,000 | 10,770,000 | 6,770,940 | 1,445,462 | 8,216,402 | 76% |
| Phase VI | Garden City Beautification Project | 500,000 | 500,000 | 156,369 | 86,924 | 243,293 | 49% |
| Phase VI | Emergency Fleet Replacement | 9,500,000 | 9,500,000 | 6,291,234 | - | 6,291,234 | 66% |
| Phase VI | Training Center Infrastructure | 2,000,000 | 2,000,000 | - | - | - | 0% |
| Phase VI | Public Safety Vehicles | 7,500,000 | 7,500,000 | 7,014,776 | 470,183 | 7,484,959 | 100% |
| Phase VI | Library - Main Branch | 1,000,000 | 1,000,000 | 767,718 | 125,655 | 893,373 | 89% |
| Phase VI | Library - Maxwell Branch | 900,000 | 900,000 | - | - | - | 0% |
| Phase VI | Library - Friedman Branch | 600,000 | 600,000 | - | - | - | 0% |
| Phase VI | Historic Augusta - Wilson & Larmar Historic Sites | 125,000 | 125,000 | - | - | - | 0% |
| Phase VI | The Augusta Theatre District Project - Miller Theatre | 6,000,000 | 6,000,000 | - | - | - | 0% |
| Phase VI | Pendleton King Park Connectivity Improvements | 200,000 | 200,000 | - | - | - | 0% |
| Phase VI | Lucy Craft Laney Museum | 600,000 | 600,000 | - | - | - | 0% |
| Phase VI | Augusta Museum of History | 600,000 | 600,000 | 300,000 | - | 300,000 | 50% |
| Phase VI | Jessye Norman School of the Arts | 95,000 | 95,000 | 95,000 | - | 95,000 | 100% |
| Phase VI | Imperial Theater | 1,000,000 | 1,000,000 | - | 250,000 | 250,000 | 25% |
| Phase VI | Boys & Girls Club - EW Hegler Club Renovations | 500,000 | 500,000 | - | - | - | 0% |
| Phase VI | Augusta Urban Ministries | 175,000 | 175,000 | - | - | - | 0% |
| Phase VI | Health Education Activities Learning Complex - Paine College | 2,500,000 | 2,500,000 | 2,500,000 | - | 2,500,000 | 100% |
| Phase VI | Downtown Infrastructure - Downtown Development Authority | 1,200,000 | 1,200,000 | - | 250,000 | 250,000 | 21% |
| Phase VI | Industrial Infrastructure - RDA | 1,200,000 | 1,200,000 | - | - | - | 0% |
| Phase VI | Canal Improvements - Augusta Canal Authority | 4,170,000 | 4,185,160 | 3,340,154 | 845,000 | 4,185,154 | 100% |
| Phase VI | Municipal Building Renovations | 18,000,000 | 33,750,000 | 32,270,419 | 266,019 | 32,536,438 | 96% |
| Phase VI | Municipal Building Campus - IT Building | - | 7,000,000 | 6,852,373 | 107,633 | 6,960,006 | 99% |
| Phase VI | Green Space - CSRA Land Trust | 500,000 | 500,000 | - | - | - | 0% |
| Phase VI | Capital Equipment - Recreation | 150,000 | 150,000 | 117,971 | 25,346 | 143,317 | 96% |
| Phase VI | Existing Structures Improvements | 895,000 | 595,000 | 436,393 | 18,135 | 454,528 | 76% |
| Phase VI | Augusta Commons | 100,000 | 100,000 | - | 5,165 | 5,165 | 5% |
| Phase VI | Dyess Park | 800,000 | 297,000 | 125,984 | - | 125,984 | 42% |
| Phase VI | May Park | 150,000 | 150,000 | 133,620 | 11,850 | 145,470 | 97% |
| Phase VI | Old Government House | 200,000 | 200,000 | 21,814 | - | 21,814 | 11% |
| Phase VI | Elliot Park | 100,000 | 100,000 | 36,635 | 4,260 | 40,895 | 41% |
| Phase VI | Fleming Park | 250,000 | 600,000 | 588,156 | 13,989 | 602,145 | 100% |
| Phase VI | Fleming Tennis Center | 600,000 | 250,000 | 11,938 | 29,780 | 41,718 | 17% |
| Phase VI | Augusta Soccer Complex | 150,000 | 150,000 | - | - | - | 0% |
| Phase VI | Diamond Lakes Regional Park | 1,350,000 | 1,350,000 | 917,213 | 184,948 | 1,102,161 | 82% |
| Phase VI | Mc Duffie Woods Park | 200,000 | 200,000 | 6,274 | 1,800 | 8,074 | 4% |
| Phase VI | Augusta Golf Course | 300,000 | 300,000 | 75,110 | 53,503 | 128,613 | 43% |
| Phase VI | H.H. Brigham Park | 250,000 | 750,000 | 744,772 | 2,295 | 747,067 | 100% |
| Phase VI | Valley Park | 250,000 | 250,000 | 22,973 | 265,281 | 288,254 | 115% |
| Phase VI | Wood Park | 50,000 | 50,000 | - | - | - | 0% |
| Phase VI | Brookfield Park | 100,000 | 100,000 | 30,697 | - | 30,697 | 31% |
| Phase VI | Eisenhower Park | 100,000 | 100,000 | - | - | - | 0% |
| Phase VI | Warren Road Park | 150,000 | 150,000 | 150,257 | - | 150,257 | 100% |
| Phase VI | Blythe Community Center | 500,000 | 500,000 | 110,120 | 138,988 | 249,108 | 50% |
| Phase VI | Jamestown Community Center | 200,000 | 200,000 | 202,478 | - | 202,478 | 101% |
| Phase VI | Augusta Marina | 50,000 | 50,000 | 43,272 | - | 43,272 | 87% |
| Phase VI | Lake Olmstead Stadium | 100,000 | 100,000 | 100,000 | - | 100,000 | 100% |
| Phase VI | 4-H Camp | 50,000 | 50,000 | 23,782 | - | 23,782 | 48% |
| Phase VI | Tennis Courts Resurfacing | 150,000 | 150,000 | 125,951 | - | 125,951 | 84% |
| Phase VI | Swimming Pool Renovations | 900,000 | 900,000 | 167,570 | 23,156 | 190,726 | 21% |
| Phase VI | Recreation Master Plan | 200,000 | 200,000 | - | 68,825 | 68,825 | 34% |
| Phase VI | Recreation Project Administration | 1,000,000 | 1,100,000 | 860,269 | 230,852 | 1,091,121 | 99% |
| Phase VI | Historic Structures | - | 503,000 | 485,651 | - | 485,651 | 97% |
| Phase VI | South Augusta Transit Center | 190,000 | 190,000 | 76,809 | 72,059 | 148,868 | 78% |
| Phase VI | Augusta Public Transit Facilities - Renovations | 125,000 | 125,000 | - | - | - | 0% |
| Phase VI | Transit Vehicles | 420,000 | 420,000 | - | 420,000 | 420,000 | 100% |
| Phase VI | City of Hephzibah | 4,424,000 | 4,424,000 | 4,424,000 | - | 4,424,000 | 100% |
| Phase VI | City of Blythe | 1,300,000 | 1,300,000 | 1,300,000 | - | 1,300,000 | 100% |
| Phase VI | Network Assessment Remediation | 250,000 | 250,000 | - | - | - | 0% |
| Phase VI | Redundant Fiber Ring | 250,000 | 250,000 | - | - | - | 0% |
| Phase VI | Digital Orthophotography | 500,000 | 500,000 | 304,377 | 104,404 | 408,781 | 82% |
| Phase VI | Software Application Consolidation | 1,000,000 | 1,000,000 | 320,589 | 106,581 | 427,170 | 43% |
| Phase VI | Carrie Mays Park CNG Remediation | - | 300,000 | 266,138 | - | 266,138 | 89% |
| Phase 7 | SPLOST 7 Program Administration | 3,500,000 | 3,500,000 | - | 2,500 | 2,500 | 0% |
| Phase 7 | Interest on SPLOST 7 GO Bonds | 4,000,000 | 4,000,000 | - | - | - | 0% |
| Phase 7 | P25 Radio System | 15,000,000 | 15,000,000 | - | 661 | 661 | 0% |
| Phase 7 | TAO/TCO software consolidation | 3,500,000 | 3,500,000 | - | - | - | 0% |
| Phase 7 | MDT Replacement | 900,000 | 900,000 | - | - | - | 0% |
| Phase 7 | 911 Renovations | 500,000 | 500,000 | - | - | - | 0% |
| Phase 7 | Special Operations Precinct | 1,300,000 | 1,300,000 | - | - | - | 0% |
| Phase 7 | Marshal's Operation Center | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Training Range Enhancements | 2,200,000 | 2,200,000 | - | - | - | 0% |
| Phase 7 | Public Safety Vehicles - (Law Enforcement) | 9,000,000 | 9,000,000 | - | - | - | 0% |
| Phase 7 | New Station 2 - Telfair Street | 2,500,000 | 2,500,000 | - | 478,366 | 478,366 | 19% |
| Phase 7 | New Station 3 - Gordon Hwy | 2,500,000 | 2,500,000 | - | - | - | 0% |
| Phase 7 | New Station - South Augusta | 2,500,000 | 2,500,000 | - | - | - | 0% |
| Phase 7 | Emergency Vehicles - Fire | 6,000,000 | 6,000,000 | - | - | - | 0% |
| Phase 7 | Training Center - EOC | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Fire Station Alerting System | 1,100,000 | 1,100,000 | - | - | - | 0% |
| Phase 7 | Hyde Park St. & Drg Imp. | 6,000,000 | 6,000,000 | - | 2,681,742 | 2,681,742 | 45% |
| Phase 7 | On Call Construction | 2,350,000 | 2,350,000 | - | 126,091 | 126,091 | 5% |
| Phase 7 | Wrightsboro Road Reconstruction | 8,500,000 | 8,500,000 | - | - | - | 0% |
| Phase 7 | East Augusta Road and drainage - Phase III | 4,500,000 | 4,500,000 | - | 159,683 | 159,683 | 4% |

(continued)

AUGUSTA, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE YEAR ENDED DECEMBER 31, 2016

| SPLOST Phase | Project | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|-------------------------|--|--|---------------------------------------|------------------------|-------------------------|--------------|---|
| Phase 7 | East Augusta Road and drainage - Phase V | \$ 2,500,000 | \$ 2,500,000 | \$ - | \$ - | \$ - | 0% |
| Phase 7 | ADA sidewalk rehab & replacement | 2,000,000 | 2,000,000 | - | 249,720 | 249,720 | 12% |
| Phase 7 | Machinery and Equipment | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Rocky Creek Flood Reduction Improvements | 6,650,000 | 6,650,000 | - | - | - | 0% |
| Phase 7 | East Augusta Road and drainage - Phase IV | 2,500,000 | 2,500,000 | - | - | - | 0% |
| Phase 7 | Milling and Resurfacing - Contract/County Forces | 1,500,000 | 1,500,000 | - | - | - | 0% |
| Phase 7 | Monte Sano Ave Improvements | 300,000 | 300,000 | - | - | - | 0% |
| Phase 7 | Martin Luther King Drive Road Diet | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Skinner Mill Road Widening | 750,000 | 750,000 | - | - | - | 0% |
| Phase 7 | Walton Way safety & opeational improvements | 700,000 | 700,000 | - | - | - | 0% |
| Phase 7 | Forest Hill Drainage Improvement | 400,000 | 400,000 | - | - | - | 0% |
| Phase 7 | Paving Dirt Roads | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Fort Gordon gate opeatoin enhancement | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Grading and Drainage - stromwater | 25,000,000 | 25,000,000 | - | - | - | 0% |
| Phase 7 | Administration - Engineering | 2,500,000 | 2,500,000 | - | - | - | 0% |
| Phase 7 | Fleet Maintenance Facility | 1,500,000 | 1,500,000 | - | - | - | 0% |
| Phase 7 | Existing Facilities upgrades | 5,000,000 | 5,000,000 | - | 13,793 | 13,793 | 0% |
| Phase 7 | Animal Services | 500,000 | 500,000 | - | - | - | 0% |
| Phase 7 | Records Retention Center | 2,500,000 | 2,500,000 | - | 297,563 | 297,563 | 12% |
| Phase 7 | JLEC Demolition | 1,500,000 | 1,500,000 | - | - | - | 0% |
| Phase 7 | Public Defender Building | 5,000,000 | 5,000,000 | - | 5,000,000 | 5,000,000 | 100% |
| Phase 7 | Municipal Campus | 35,000,000 | 35,000,000 | - | - | - | 0% |
| Phase 7 | Museum Asset Mangement | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Library Facilities Renovations | 500,000 | 500,000 | - | - | - | 0% |
| Phase 7 | Sports Facilities | 1,750,000 | 1,750,000 | - | - | - | 0% |
| Phase 7 | Swimming Pools | 2,000,000 | 2,000,000 | - | - | - | 0% |
| Phase 7 | ADA, Reforestation & Cemetery Improvements | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Community Center Improvements | 4,000,000 | 4,000,000 | - | - | - | 0% |
| Phase 7 | Hiking/Biking Trails & Riverwalk Enhancements | 4,000,000 | 4,000,000 | - | - | - | 0% |
| Phase 7 | Nieghborhood Parks/Urban Parks | 4,000,000 | 4,000,000 | - | - | - | 0% |
| Phase 7 | Recreation - Administration | 750,000 | 750,000 | - | - | - | 0% |
| Phase 7 | Public Art Gateway Beautification | 1,000,000 | 1,000,000 | - | - | - | 0% |
| Phase 7 | Augusta Canal Authority | 1,500,000 | 1,500,000 | - | - | - | 0% |
| Phase 7 | Modernize James Brown Arena | 6,000,000 | 6,000,000 | - | - | - | 0% |
| Phase 7 | City of Blythe | 1,900,000 | 1,900,000 | - | 950,000 | 950,000 | 50% |
| Phase 7 | City of Hephzibah | 6,500,000 | 6,500,000 | - | 3,250,000 | 3,250,000 | 50% |
| Phase 7 | Buses | 1,350,000 | 1,350,000 | - | - | - | 0% |
| Phase 7 | Bus Shelters | 650,000 | 650,000 | - | - | - | 0% |

| | | | | |
|-----------------------|-------------------------|-----------------------|----------------------|-----------------------|
| \$ 887,667,629 | \$ 1,036,424,238 | \$ 691,171,907 | \$ 24,046,304 | \$ 715,218,211 |
|-----------------------|-------------------------|-----------------------|----------------------|-----------------------|

Amounts reported in Special Sales Tax Phase capital outlay are as follows:

| | |
|---------------------------------|----------------------|
| Special Sales Tax Phase II | \$ 202,741 |
| Special Sales Tax Phase III | 351,529 |
| Special Sales Tax Phase IV | 199,331 |
| Special Sales Tax Phase V | 238,659 |
| Special Sales Tax Phase VI | 9,822,065 |
| Special Sales Tax Phase 7 | 7,753,613 |
| Transfer out to Fire Department | 478,386 |
| Transfer out to Water and Sewer | 4,999,980 |
| | \$ 24,046,304 |

Note: The transfer in the amount of \$5,478,366 noted above was a reimbursement to the Water and Sewer Fund and Fire Protection for approved SPLOST purchases and has been included in the above schedule.

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AUGUSTA, GEORGIA
PENSION TRUST FUNDS

1945 Plan Fund is used to account for a single-employer defined benefit pension plan that was available to all former Richmond County employees hired prior to October 1, 1975, that met the Plan's age and length of service requirements.

General Retirement Fund is used to account for a single-employer defined benefit pension plan for those former City of Augusta employees hired after March 1, 1949 and before March 1, 1987, whose age did not exceed 35 years at the time of their employment and were not participants of the 1977 Plan.

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
DECEMBER 31, 2016**

| | 1945 Plan | General Retirement | Total Pension Trust Funds |
|---------------------------------|----------------------|-------------------------------|--|
| ASSETS | | | |
| Cash | \$ 1,144,215 | \$ 1,137,103 | \$ 2,281,318 |
| Investments, at fair value: | | | |
| Government securities | 477,368 | 2,624,505 | 3,101,873 |
| Common stock | 3,231,724 | 49,449,011 | 52,680,735 |
| Mortgage backed securities | 662,859 | 3,648,623 | 4,311,482 |
| Mutual funds | 1,156,014 | 6,410,903 | 7,566,917 |
| Accounts receivable | 290,570 | 2,256,720 | 2,547,290 |
| Interest receivable | 4,891 | 26,924 | 31,815 |
| Total assets | 6,967,641 | 65,553,789 | 72,521,430 |
| LIABILITIES | | | |
| Accounts payable | 251 | 2,196 | 2,447 |
| Total liabilities | 251 | 2,196 | 2,447 |
| NET POSITION | | | |
| Restricted for pension benefits | \$ 6,967,390 | \$ 65,551,593 | \$ 72,518,983 |

AUGUSTA, GEORGIA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

| | 1945 Plan | General Retirement | Total Pension Trust Funds |
|---|----------------------|-------------------------------|--|
| ADDITIONS | | | |
| Contributions: | | | |
| Employer | \$ 290,570 | \$ 4,383,498 | \$ 4,674,068 |
| Employee | 7,121 | 127,010 | 134,131 |
| Total contributions | <u>297,702</u> | <u>4,510,508</u> | <u>4,808,210</u> |
| Investment earnings: | | | |
| Interest | 2,754 | - | 2,754 |
| Net increase in fair value of investments | <u>432,822</u> | <u>4,256,056</u> | <u>4,688,878</u> |
| Net investment earnings | <u>435,576</u> | <u>4,256,056</u> | <u>4,691,632</u> |
| Total additions | <u>733,278</u> | <u>8,766,564</u> | <u>9,499,842</u> |
| DEDUCTIONS | | | |
| Benefits | 756,404 | 8,643,889 | 9,400,293 |
| Administrative expenses | <u>43,201</u> | <u>454,611</u> | <u>497,812</u> |
| Total deductions | <u>799,605</u> | <u>9,098,500</u> | <u>9,898,105</u> |
| Change in net position | (66,327) | (331,936) | (398,263) |
| NET POSITION, BEGINNING OF YEAR | <u>7,033,717</u> | <u>65,883,529</u> | <u>72,917,246</u> |
| NET POSITION, END OF YEAR | <u>\$ 6,967,390</u> | <u>\$ 65,551,593</u> | <u>\$ 72,518,983</u> |

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AUGUSTA, GEORGIA

AGENCY FUNDS

Tax Commissioner is used to account for all real, personal and intangible taxes collected and forwarded to the government units.

Sheriff is used to account for collection of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies, and individuals.

The following agency funds are used to account for fines, fees and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law:

Probate Court

Clerk of Court

Magistrate/Civil Court

AUGUSTA, GEORGIA

**AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2016**

| ASSETS | Tax Commissioner | Probate Court | Sheriff | Clerk of Court | Magistrate/ Civil Court | Totals |
|--------------------|-----------------------------|--------------------------|---------------------|---------------------------|------------------------------------|----------------------|
| Cash | \$ 4,711,357 | \$ 62,807 | \$ 2,256,255 | \$ 3,035,007 | \$ 140,767 | \$ 10,206,193 |
| Taxes receivable | 15,844,496 | - | - | - | - | 15,844,496 |
| Total assets | <u>\$ 20,555,853</u> | <u>\$ 62,807</u> | <u>\$ 2,256,255</u> | <u>\$ 3,035,007</u> | <u>\$ 140,767</u> | <u>\$ 26,050,689</u> |
| LIABILITIES | | | | | | |
| Due to others | \$ 4,711,357 | \$ 62,807 | \$ 2,256,255 | \$ 3,035,007 | \$ 140,767 | \$ 10,206,193 |
| Uncollected taxes | 15,844,496 | - | - | - | - | 15,844,496 |
| Total liabilities | <u>\$ 20,555,853</u> | <u>\$ 62,807</u> | <u>\$ 2,256,255</u> | <u>\$ 3,035,007</u> | <u>\$ 140,767</u> | <u>\$ 26,050,689</u> |

AUGUSTA, GEORGIA

**AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

FOR THE YEAR ENDED DECEMBER 31, 2016

| | <u>Balance January 1, 2016</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance December 31, 2016</u> |
|--------------------------------|------------------------------------|-----------------------|-------------------------|--------------------------------------|
| <u>TAX COMMISSIONER</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 3,053,223 | \$ 210,309,313 | \$ (208,651,179) | \$ 4,711,357 |
| Taxes receivable | 15,569,097 | 15,844,496 | (15,569,097) | 15,844,496 |
| Total assets | <u>\$ 18,622,320</u> | <u>\$ 226,153,809</u> | <u>\$ (224,220,276)</u> | <u>\$ 20,555,853</u> |
| LIABILITIES | | | | |
| Due to others | \$ 3,053,223 | \$ 210,309,313 | \$ (208,651,179) | \$ 4,711,357 |
| Uncollected taxes | 15,569,097 | 15,844,496 | (15,569,097) | 15,844,496 |
| Total liabilities | <u>\$ 18,622,320</u> | <u>\$ 226,153,809</u> | <u>\$ (224,220,276)</u> | <u>\$ 20,555,853</u> |
| <u>PROBATE COURT</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 32,532 | \$ 590,886 | \$ (560,611) | \$ 62,807 |
| Total assets | <u>\$ 32,532</u> | <u>\$ 590,886</u> | <u>\$ (560,611)</u> | <u>\$ 62,807</u> |
| LIABILITIES | | | | |
| Due to others | \$ 32,532 | \$ 590,886 | \$ (560,611) | \$ 62,807 |
| Total liabilities | <u>\$ 32,532</u> | <u>\$ 590,886</u> | <u>\$ (560,611)</u> | <u>\$ 62,807</u> |
| <u>SHERIFF</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 2,349,616 | \$ 2,520,807 | \$ (2,614,168) | \$ 2,256,255 |
| Total assets | <u>\$ 2,349,616</u> | <u>\$ 2,520,807</u> | <u>\$ (2,614,168)</u> | <u>\$ 2,256,255</u> |
| LIABILITIES | | | | |
| Due to others | \$ 2,349,616 | \$ 2,520,807 | \$ (2,614,168) | \$ 2,256,255 |
| Total liabilities | <u>\$ 2,349,616</u> | <u>\$ 2,520,807</u> | <u>\$ (2,614,168)</u> | <u>\$ 2,256,255</u> |

(Continued)

AUGUSTA, GEORGIA

**AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

FOR THE YEAR ENDED DECEMBER 31, 2016

| | <u>Balance January 1, 2016</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance December 31, 2016</u> |
|--|------------------------------------|-----------------------|-------------------------|--------------------------------------|
| <u>CLERK OF COURT</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 3,603,028 | \$ 10,668,796 | \$ (11,236,817) | \$ 3,035,007 |
| Total assets | <u>\$ 3,603,028</u> | <u>\$ 10,668,796</u> | <u>\$ (11,236,817)</u> | <u>\$ 3,035,007</u> |
| LIABILITIES | | | | |
| Due to others | \$ 3,603,028 | \$ 10,668,796 | \$ (11,236,817) | \$ 3,035,007 |
| Total liabilities | <u>\$ 3,603,028</u> | <u>\$ 10,668,796</u> | <u>\$ (11,236,817)</u> | <u>\$ 3,035,007</u> |
| <u>MAGISTRATE AND CIVIL COURT</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 147,010 | \$ 1,495,234 | \$ (1,501,477) | \$ 140,767 |
| Total assets | <u>\$ 147,010</u> | <u>\$ 1,495,234</u> | <u>\$ (1,501,477)</u> | <u>\$ 140,767</u> |
| LIABILITIES | | | | |
| Due to others | \$ 147,010 | \$ 1,495,234 | \$ (1,501,477) | \$ 140,767 |
| Total liabilities | <u>\$ 147,010</u> | <u>\$ 1,495,234</u> | <u>\$ (1,501,477)</u> | <u>\$ 140,767</u> |
| <u>TOTAL AGENCY FUNDS</u> | | | | |
| ASSETS | | | | |
| Cash | \$ 9,185,409 | \$ 225,585,036 | \$ (224,564,252) | \$ 10,206,193 |
| Taxes receivable | <u>15,569,097</u> | <u>15,844,496</u> | <u>(15,569,097)</u> | <u>15,844,496</u> |
| Total assets | <u>\$ 24,754,506</u> | <u>\$ 241,429,532</u> | <u>\$ (240,133,349)</u> | <u>\$ 26,050,689</u> |
| LIABILITIES | | | | |
| Due to others | \$ 9,185,409 | \$ 225,585,036 | \$ (224,564,252) | \$ 10,206,193 |
| Uncollected taxes | <u>15,569,097</u> | <u>15,844,496</u> | <u>(15,569,097)</u> | <u>15,844,496</u> |
| Total liabilities | <u>\$ 24,754,506</u> | <u>\$ 241,429,532</u> | <u>\$ (240,133,349)</u> | <u>\$ 26,050,689</u> |

STATISTICAL SECTION

This part of the Government's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the Government's overall financial health.

Contents

| | <u>Page</u> |
|---|--------------------|
| Financial Trends | 190 - 196 |
| <i>These schedules contain trend information to help the reader understand how the Government's financial performance and well-being have changed over time.</i> | |
| Revenue Capacity..... | 197 - 201 |
| <i>These schedules contain information to help the reader assess the Government's most significant local revenue sources.</i> | |
| Debt Capacity..... | 202 - 207 |
| <i>These schedules present information to help the reader assess the affordability of the Government's current levels of outstanding debt and the Government's ability to issue additional debt in the future.</i> | |
| Demographic and Economic Information | 208 and 209 |
| <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Government's financial activities take place.</i> | |
| Operating Information..... | 210 - 214 |
| <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Government's financial report relates to the services the Government provides and the activities it performs.</i> | |

AUGUSTA, GEORGIA

NET POSITION BY COMPONENT LAST TEN YEARS

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 238,765,702 | \$ 270,333,969 | \$ 316,625,846 | \$ 392,520,278 | \$ 396,157,412 | \$ 410,460,670 | \$ 457,492,341 | \$ 476,918,623 | \$ 547,217,942 | \$ 557,318,725 |
| Restricted | 186,758,852 | 190,117,858 | 169,810,821 | 127,645,294 | 187,017,657 | 158,085,479 | 131,155,017 | 139,606,663 | 126,202,046 | 188,414,660 |
| Unrestricted | 65,180,469 | 58,072,936 | 65,102,588 | 53,117,274 | 12,005,324 | 41,001,034 | 34,032,148 | 26,493,803 | (8,595,476) | (21,692,381) |
| Total governmental activities net position | \$ 490,705,023 | \$ 518,524,763 | \$ 551,539,255 | \$ 573,282,846 | \$ 595,180,393 | \$ 609,547,183 | \$ 622,679,506 | \$ 643,019,089 | \$ 664,824,512 | \$ 724,041,004 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | \$ 143,717,492 | \$ 172,210,733 | \$ 208,865,726 | \$ 194,948,749 | \$ 207,909,398 | \$ 217,331,770 | \$ 198,731,660 | \$ 174,179,647 | \$ 182,241,232 | \$ 183,134,044 |
| Restricted | 15,566,125 | 15,056,403 | 17,717,103 | 27,648,425 | - | 57,373,803 | 77,570,750 | 96,536,299 | 87,266,093 | 92,929,966 |
| Unrestricted | 92,284,353 | 95,865,620 | 61,011,926 | 75,975,546 | 110,203,964 | 56,391,657 | 54,217,810 | 61,286,639 | 49,371,035 | 54,383,554 |
| Total business-type activities net position | \$ 251,567,970 | \$ 283,132,756 | \$ 287,594,755 | \$ 298,572,720 | \$ 318,113,362 | \$ 331,097,230 | \$ 330,520,220 | \$ 332,002,585 | \$ 318,878,360 | \$ 330,447,564 |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | \$ 382,483,194 | \$ 442,544,702 | \$ 525,491,572 | \$ 587,469,027 | \$ 604,066,810 | \$ 627,792,440 | \$ 656,224,001 | \$ 651,098,270 | \$ 729,459,174 | \$ 740,452,769 |
| Restricted | 202,324,977 | 205,174,261 | 187,527,924 | 155,293,719 | 187,017,657 | 215,459,282 | 208,725,767 | 236,142,962 | 213,468,139 | 281,344,626 |
| Unrestricted | 157,464,822 | 153,938,556 | 126,114,514 | 129,092,820 | 122,209,288 | 97,392,691 | 88,249,958 | 87,780,442 | 40,775,559 | 32,691,173 |
| Total primary government net position | \$ 742,272,993 | \$ 801,657,519 | \$ 839,134,010 | \$ 871,855,566 | \$ 913,293,755 | \$ 940,644,413 | \$ 953,199,726 | \$ 975,021,674 | \$ 983,702,872 | \$ 1,054,488,568 |

Source: Augusta, Georgia audited financial statements.

AUGUSTA, GEORGIA

CHANGES IN NET POSITION LAST TEN YEARS

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Expenses | | | | | | | | | | |
| Primary government: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 32,569,426 | \$ 37,327,653 | \$ 32,303,249 | \$ 41,420,563 | \$ 42,322,594 | \$ 40,330,290 | \$ 41,458,672 | \$ 35,022,665 | \$ 33,802,731 | \$ 36,221,517 |
| Judicial | 15,871,604 | 16,553,255 | 17,133,889 | 17,197,271 | 17,802,714 | 18,348,930 | 19,689,011 | 22,277,190 | 21,323,507 | 20,818,733 |
| Public safety | 77,636,868 | 84,098,300 | 84,927,821 | 82,198,232 | 85,141,118 | 86,803,342 | 88,028,881 | 94,812,888 | 73,686,078 | 92,071,561 |
| Public works | 13,007,368 | 17,542,611 | 14,844,645 | 16,010,143 | 16,010,121 | 15,463,891 | 16,339,524 | 39,378,299 | 33,487,270 | 12,391,998 |
| Health and welfare | 2,227,609 | 2,755,659 | 2,218,245 | 1,934,339 | 1,693,863 | 2,641,832 | 2,714,636 | 2,511,207 | 1,874,971 | 7,653,264 |
| Culture and recreation | 24,555,210 | 22,494,025 | 19,876,636 | 20,351,136 | 14,709,524 | 23,493,548 | 19,823,071 | 17,135,252 | 14,958,432 | 13,619,543 |
| Housing and development | 8,844,236 | 20,291,908 | 11,418,135 | 12,054,659 | 17,413,919 | 16,186,502 | 13,871,835 | 14,161,332 | 13,488,008 | 14,427,031 |
| Interest and fiscal changes | 1,517,141 | 1,136,879 | 885,661 | 1,539,180 | 1,894,943 | 1,924,490 | 1,862,587 | 2,756,430 | 2,442,546 | 2,674,676 |
| Total governmental activities | 176,229,462 | 202,200,290 | 183,608,281 | 192,705,523 | 196,988,796 | 205,192,825 | 203,786,217 | 228,055,263 | 195,063,543 | 199,878,323 |
| Business-type activities: | | | | | | | | | | |
| Waste management | 6,196,161 | 5,485,075 | 10,992,158 | 6,192,260 | 7,640,350 | 7,554,624 | 9,346,387 | 10,761,293 | 14,379,589 | 11,051,624 |
| Water and sewer | 70,720,901 | 65,098,051 | 73,677,334 | 81,438,293 | 87,756,698 | 90,703,735 | 92,625,019 | 95,538,635 | 96,512,831 | 99,080,160 |
| Airports | 15,380,555 | 19,526,505 | 14,928,202 | 18,281,091 | 21,857,398 | 21,445,366 | 17,238,488 | 15,374,725 | 16,285,059 | 14,955,310 |
| Municipal golf course | 546,477 | 651,455 | 579,601 | 629,179 | 579,141 | 98,341 | - | - | - | - |
| Transit | 4,607,435 | 5,067,023 | 4,847,776 | 4,935,179 | 5,705,414 | 6,185,107 | 6,268,833 | 6,107,826 | 6,021,453 | 6,326,833 |
| Riverwalk | 117 | - | - | - | - | - | - | - | - | - |
| Garbage collection | 14,296,461 | 14,946,189 | 15,202,611 | 15,519,972 | 16,255,453 | 16,556,393 | 17,029,002 | 19,037,942 | 19,354,476 | 19,643,236 |
| Stormwater utility | - | - | - | - | - | - | - | - | - | 9,317,090 |
| Total business-type activities | 111,748,107 | 110,774,298 | 120,227,682 | 126,995,974 | 139,794,454 | 142,543,566 | 142,507,729 | 146,820,421 | 152,553,408 | 160,374,253 |
| expenses | 287,977,569 | 312,974,588 | 303,835,963 | 319,701,497 | 336,783,250 | 347,736,391 | 346,293,946 | 374,875,684 | 347,616,951 | 360,252,576 |
| Total primary government expenses | | | | | | | | | | |
| Program revenues | | | | | | | | | | |
| Primary government: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General government | 15,238,133 | 14,972,483 | 16,331,975 | 17,544,891 | 15,473,569 | 15,087,632 | 13,837,610 | 13,704,521 | 14,228,615 | 15,533,080 |
| Judicial | 9,126,678 | 8,121,058 | 8,438,155 | 7,797,373 | 2,632,134 | 2,915,879 | 3,113,317 | 3,666,099 | 3,428,505 | 3,288,556 |
| Public safety | 7,869,343 | 6,726,775 | 7,378,213 | 7,236,047 | 12,187,474 | 12,419,681 | 11,885,552 | 11,936,266 | 13,222,762 | 12,640,313 |
| Public works | 1,531,163 | 1,916,462 | 2,241,896 | 2,307,975 | 2,231,323 | 2,138,752 | 2,192,186 | 2,185,693 | 2,285,046 | 2,500,347 |
| Health and welfare | 168,051 | 138,192 | 98,496 | 83,904 | 78,709 | 723,362 | 723,124 | 742,055 | 774,701 | 756,526 |
| Culture and recreation | 1,194,238 | 1,935,406 | 1,039,762 | 989,824 | 1,648,890 | 1,727,183 | 2,586,807 | 2,888,268 | 2,929,943 | 2,862,414 |
| Housing and development | 14,737 | 27,057 | - | - | 4,380,585 | 4,590,419 | 4,779,030 | 4,783,737 | 3,931,995 | 4,444,022 |
| Operating grants and contributions | 10,591,102 | 10,272,966 | 9,489,973 | 11,541,378 | 16,211,817 | 7,877,728 | 7,354,311 | 15,984,639 | 9,416,362 | 11,506,644 |
| Capital grants and contributions | 630,514 | 173,210 | - | - | 1,123,393 | 1,710,871 | 1,197,492 | 2,171,072 | 4,916,444 | 3,014,581 |

(Continued)

AUGUSTA, GEORGIA

CHANGES IN NET POSITION LAST TEN YEARS

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Total governmental activities | | | | | | | | | | |
| program revenues | 46,363,959 | 44,283,609 | 45,018,470 | 47,501,392 | 55,967,894 | 49,191,507 | 47,669,429 | 58,062,350 | 55,134,373 | 56,546,483 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Waste management | 11,075,331 | 11,340,418 | 9,810,436 | 9,715,639 | 11,123,689 | 10,659,789 | 12,636,291 | 15,225,072 | 13,240,809 | 14,868,570 |
| Water and sewer | 66,852,805 | 81,177,713 | 75,675,852 | 84,460,784 | 87,607,757 | 102,495,912 | 87,640,826 | 89,426,724 | 89,992,145 | 91,967,807 |
| Airports | 15,656,864 | 16,601,421 | 13,036,813 | 16,430,053 | 19,800,158 | 19,203,823 | 15,516,488 | 13,333,250 | 13,108,660 | 14,165,443 |
| Municipal golf course | 469,225 | 483,127 | 420,148 | 376,667 | 375,363 | 37,246 | - | - | - | - |
| Transit | 682,767 | 714,085 | 703,450 | 727,297 | 690,093 | 725,087 | 1,494,073 | 1,582,611 | 1,548,387 | 1,898,118 |
| Riverwalk | - | - | - | - | - | - | - | - | - | - |
| Garbage collection | 13,348,361 | 14,011,008 | 14,798,235 | 15,626,417 | 15,466,186 | 15,877,408 | 16,415,315 | 20,107,411 | 19,255,923 | 19,448,658 |
| Stormwater utility | - | - | - | - | - | - | - | - | - | 13,663,554 |
| Operating grants and contributions | 183,764 | 336,403 | 563,865 | 181,717 | - | - | - | - | - | - |
| Capital grants and contributions | 3,654,745 | 2,292,179 | 1,615,277 | 4,084,129 | 16,989,583 | 6,094,240 | 5,870,639 | 3,218,349 | 4,584,343 | 5,812,783 |
| Total business-type activities | 111,923,862 | 126,956,354 | 116,624,076 | 131,602,703 | 152,052,829 | 155,093,505 | 139,573,632 | 142,893,417 | 141,730,267 | 161,824,933 |
| program revenues | | | | | | | | | | |
| Total primary government | 158,287,821 | 171,239,963 | 161,642,546 | 179,104,095 | 208,020,723 | 204,285,012 | 187,243,061 | 200,955,767 | 196,864,640 | 218,371,416 |
| Net (expense) revenue | | | | | | | | | | |
| Governmental activities | \$ (129,865,503) | \$ (157,916,681) | \$ (138,589,811) | \$ (145,204,131) | \$ (141,020,902) | \$ (156,001,318) | \$ (166,116,788) | \$ (169,992,913) | \$ (139,929,170) | \$ (143,331,840) |
| Business-type activities | 175,755 | 16,182,056 | (3,603,606) | 4,606,729 | 12,258,375 | 12,549,939 | (2,934,097) | (3,927,004) | (10,823,141) | 1,450,680 |
| Total primary government | (129,689,748) | (141,734,625) | (142,193,417) | (140,597,402) | (128,762,527) | (143,451,379) | (169,050,885) | (173,919,917) | (150,752,311) | (141,881,160) |
| General revenues and other changes in net position | | | | | | | | | | |
| Primary government: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes | 48,820,848 | 54,880,218 | 53,131,398 | 53,931,423 | 54,612,446 | 57,546,683 | 60,938,262 | 69,281,751 | 69,708,757 | 72,649,913 |
| Other taxes | 111,459,091 | 112,849,736 | 113,766,336 | 112,576,281 | 114,694,779 | 117,422,333 | 115,386,538 | 122,040,650 | 132,821,646 | 138,841,209 |
| Unrestricted governmental revenues | 960,741 | 2,352,101 | 952,413 | 1,117,472 | - | - | - | - | - | - |
| Unrestricted investment earnings | 15,424,993 | 11,154,486 | 6,757,096 | 3,419,228 | 769,030 | 617,292 | 705,910 | 712,283 | 691,938 | 904,567 |
| Miscellaneous | 815,900 | 1,236,361 | 3,302,450 | 855,819 | 814,797 | 183,920 | 1,141,300 | 226,079 | 367,735 | - |
| Transfers | (6,728,431) | (7,404,540) | (6,305,390) | (4,952,501) | (6,333,236) | (4,739,380) | (2,056,213) | (4,763,580) | (3,861,383) | (9,847,357) |
| Total governmental activities | | | | | | | | | | |
| general revenues and other changes in net position | 170,753,142 | 175,068,362 | 171,604,303 | 166,947,722 | 164,557,816 | 171,030,848 | 176,115,797 | 187,497,183 | 199,728,693 | 202,548,332 |

(Continued)

AUGUSTA, GEORGIA

CHANGES IN NET POSITION LAST TEN YEARS

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Business-type activities: | | | | | | | | | | |
| Unrestricted investment earnings | 11,961,476 | 6,153,252 | 926,056 | 395,407 | 421,925 | 486,911 | 255,147 | 309,260 | 370,714 | 237,285 |
| Miscellaneous | 936,453 | 1,464,938 | 834,159 | 1,023,328 | 527,106 | 76,320 | 45,727 | 336,529 | 27,579 | 33,882 |
| Transfers | 6,728,431 | 7,404,540 | 6,305,390 | 4,952,501 | 6,333,236 | 4,739,380 | 2,056,213 | 4,763,580 | 3,861,383 | 9,847,357 |
| Total business type activities | | | | | | | | | | |
| general revenues and other changes in net position | 19,626,360 | 15,022,730 | 8,065,605 | 6,371,236 | 7,282,267 | 5,302,611 | 2,357,087 | 5,409,369 | 4,259,676 | 10,118,524 |
| Total primary government | | | | | | | | | | |
| general revenues and other changes in net position | \$ 190,379,502 | \$ 190,091,092 | \$ 179,669,908 | \$ 173,318,958 | \$ 171,840,083 | \$ 176,333,459 | \$ 178,472,884 | \$ 192,906,552 | \$ 203,988,369 | \$ 212,666,856 |
| Change in net position | | | | | | | | | | |
| Governmental activities | 40,887,639 | 17,151,681 | 33,014,492 | 21,743,591 | 23,536,914 | 15,029,530 | 19,999,009 | 17,504,270 | 59,799,523 | 59,216,492 |
| Business-type activities | 19,802,115 | 31,204,786 | 4,461,999 | 10,977,965 | 19,540,642 | 17,852,550 | (577,010) | 1,482,365 | (6,563,465) | 11,569,204 |
| Total primary government change in net position | \$ 60,689,754 | \$ 48,356,467 | \$ 37,476,491 | \$ 32,721,556 | \$ 43,077,556 | \$ 32,882,080 | \$ 19,421,999 | \$ 18,986,635 | \$ 53,236,058 | \$ 70,785,696 |

Source: Augusta, Georgia audited financial statements.

Note: Changes in Net Position from the Statement of Activities increased in this table due to the prior period adjustment.

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AUGUSTA, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------|------|------|------|
| General Fund | | | | | | | | | | |
| Reserved | \$ 932,425 | \$ 864,815 | \$ 955,120 | \$ 4,415,708 | | | | | | |
| Unreserved | 31,940,782 | 18,349,890 | 30,210,613 | 28,369,830 | | | | | | |
| Total General fund | <u>\$ 32,873,207</u> | <u>\$ 19,214,705</u> | <u>\$ 31,165,733</u> | <u>\$ 32,785,538</u> | | | | | | |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | \$ 64,641,513 | \$ 106,482,698 | \$ 108,217,335 | \$ 137,666,668 | | | | | | |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | 20,317,469 | 28,756,941 | 27,496,905 | 28,246,833 | | | | | | |
| Debt service funds | 10,194 | 15,456 | 912,528 | 213,082 | | | | | | |
| Capital projects funds | 167,049,299 | 129,421,029 | 111,919,297 | 82,133,676 | | | | | | |
| Permanent fund | 540,063 | 441,517 | 488,491 | 519,953 | | | | | | |
| Total all other governmental funds | <u>\$ 252,558,538</u> | <u>\$ 265,117,641</u> | <u>\$ 249,044,556</u> | <u>\$ 248,780,212</u> | | | | | | |
| Total all governmental funds | <u>\$ 285,431,745</u> | <u>\$ 284,332,346</u> | <u>\$ 280,210,289</u> | <u>\$ 281,565,750</u> | | | | | | |
| General Fund | \$ 463,843 | \$ 3,040,708 | \$ 6,281,899 | \$ 4,903,951 | \$ 5,109,913 | \$ 5,277,675 | | | | |
| Nonspendable | 4,700,000 | 4,700,000 | 4,700,000 | 1,250,000 | 2,375,000 | 3,400,000 | | | | |
| Assigned | 29,900,645 | 24,257,988 | 20,238,476 | 18,183,857 | 19,528,768 | 21,749,597 | | | | |
| Unassigned | <u>\$ 35,064,488</u> | <u>\$ 31,998,696</u> | <u>\$ 31,220,375</u> | <u>\$ 24,337,808</u> | <u>\$ 27,013,681</u> | <u>\$ 30,427,272</u> | | | | |
| Total General fund | | | | | | | | | | |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable, reported in: | \$ 100,603 | \$ 109,727 | \$ 112,178 | \$ 86,499 | \$ 183,440 | \$ 153,945 | | | | |
| Special revenue funds | 16,902,892 | 4,634,630 | 5,129,533 | 8,946,614 | 15,208,516 | 17,081,176 | | | | |
| Debt service funds | 312,551 | 530,030 | 93,682 | 309,003 | 341,037 | 28,824,599 | | | | |
| Capital projects funds | 169,283,098 | 154,388,725 | 125,406,460 | 132,746,404 | 115,430,811 | 141,982,775 | | | | |
| Permanent fund | 519,116 | 532,094 | 525,342 | 530,387 | 517,817 | 526,110 | | | | |
| Committed | 13,056,612 | 25,737,955 | 26,056,346 | 29,332,706 | 29,294,058 | 16,202,352 | | | | |
| Assigned | 40,516 | | | | | | | | | |
| Unassigned | <u>(445,723)</u> | <u>(516,279)</u> | <u>(629,962)</u> | <u>(2,773,602)</u> | <u>(5,226,587)</u> | <u>(9,851,377)</u> | | | | |
| Total all other governmental funds | <u>\$ 199,769,665</u> | <u>\$ 185,416,882</u> | <u>\$ 156,693,579</u> | <u>\$ 169,178,011</u> | <u>\$ 155,749,092</u> | <u>\$ 194,919,580</u> | | | | |
| Total all governmental funds | <u>\$ 234,834,153</u> | <u>\$ 217,415,578</u> | <u>\$ 187,913,954</u> | <u>\$ 193,515,819</u> | <u>\$ 182,762,773</u> | <u>\$ 225,346,852</u> | | | | |

Note: GASB 54 was implemented during fiscal year 2011.

AUGUSTA, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN YEARS

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|--|----------------|-----------------|----------------|----------------|-----------------|
| Revenues: | | | | | |
| Taxes | \$ 164,837,791 | \$ 163,237,519 | \$ 170,791,214 | \$ 167,181,834 | \$ 169,217,433 |
| Licenses and permits | 4,890,187 | 4,482,484 | 4,621,549 | 4,516,427 | 4,843,414 |
| Use of money and property | 15,452,614 | 11,213,798 | 6,775,681 | 3,437,923 | |
| Intergovernmental | 12,208,110 | 12,751,491 | 10,423,240 | 10,483,684 | 16,689,921 |
| Charges for services | 22,915,930 | 23,239,880 | 25,330,628 | 25,883,615 | 25,615,390 |
| Fines and forfeitures | 7,309,184 | 6,078,865 | 5,563,161 | 5,533,217 | 5,720,297 |
| Donations and contributions | 34,693 | 42,493 | 17,097 | 2,193,390 | - |
| Interest revenue | | - | | - | 1,133,867 |
| Other revenues | 478,575 | 1,198,530 | 3,088,168 | 900,139 | 2,453,583 |
| Total revenues | 228,127,084 | 222,245,060 | 226,610,738 | 220,130,229 | 225,673,905 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 28,481,107 | 30,851,083 | 30,880,438 | 32,503,179 | 32,454,025 |
| Judicial | 14,582,183 | 15,432,936 | 15,912,255 | 15,983,980 | 16,472,245 |
| Public safety | 76,602,674 | 82,205,981 | 82,800,553 | 81,453,411 | 82,062,704 |
| Public works | - | 16,795,135 | 17,057,235 | 17,334,694 | 12,414,230 |
| Health and welfare | 14,493,083 | 8,151,135 | 40,632,025 | 32,374,989 | 2,189,447 |
| Culture and recreation | 4,485,973 | 21,593,754 | 19,215,926 | 17,111,279 | 12,681,163 |
| Housing and development | 25,400,613 | 20,254,501 | 11,360,360 | 11,992,918 | 17,453,873 |
| Capital outlay | 8,828,774 | 20,987,035 | 28,617,505 | 40,430,821 | 67,578,444 |
| Intergovernmental | - | - | - | 473,316 | - |
| Debt service: | | | | | |
| Principal | 16,211,559 | 9,900,619 | 10,234,342 | 10,207,881 | 20,215,000 |
| Interest and fiscal charges | 14,112,538 | 1,336,602 | 1,005,468 | 2,140,437 | 2,974,404 |
| Bond issuance costs | - | - | - | - | 89,806 |
| Total expenditures | 203,198,504 | 227,508,781 | 257,716,107 | 262,006,905 | 266,585,341 |
| Excess (deficiency) of revenues over (under) expenditures | 24,928,580 | (5,263,721) | (31,105,369) | (41,876,676) | (40,911,436) |
| Other financing sources (uses) | | | | | |
| Refunding bond proceeds | - | - | 30,550,000 | 44,070,000 | - |
| Proceeds from capital leases | 1,967,750 | 1,167,644 | 1,127,154 | 917,469 | - |
| Bond premium | - | - | 1,971,444 | 3,635,264 | - |
| Bond issuance | - | - | - | - | - |
| Payments to escrow account | - | - | - | - | - |
| Transfers in | 23,376,904 | 21,756,990 | 38,856,736 | 19,372,570 | 38,850,547 |
| Transfers out | (29,646,425) | (29,428,371) | (45,522,022) | (24,763,166) | (45,021,145) |
| Proceeds from the sale of capital assets | - | - | - | - | 834,892 |
| Total other financing sources (uses) | (4,301,771) | (6,503,737) | 26,983,312 | 43,232,137 | (5,335,706) |
| Net change in fund balances | \$ 20,626,809 | \$ (11,767,458) | \$ (4,122,057) | \$ 1,355,461 | \$ (46,247,142) |
| Debt Service as a Percentage of Noncapital Expenditures | 17.34% | 5.73% | 6.25% | 6.83% | 11.68% |

| 2012 | 2013 | 2014 | 2015 | 2016 |
|-----------------|-----------------|----------------|-----------------|----------------|
| \$ 174,530,688 | \$ 174,860,877 | \$ 191,804,941 | \$ 201,850,347 | \$ 208,663,022 |
| 5,313,188 | 5,880,083 | 6,102,645 | 6,179,800 | 6,475,794 |
| - | - | - | - | - |
| 9,205,100 | 8,262,173 | 17,834,482 | 14,067,609 | 14,115,299 |
| 25,978,981 | 25,054,525 | 25,760,940 | 26,286,959 | 27,886,571 |
| 5,826,251 | 5,632,205 | 5,793,786 | 6,973,674 | 5,962,914 |
| - | - | - | - | - |
| 641,285 | 684,374 | 658,032 | 741,597 | 985,893 |
| 2,484,488 | 2,550,813 | 2,300,392 | 1,361,134 | 1,706,759 |
| 223,979,981 | 222,925,050 | 250,255,218 | 257,461,120 | 265,796,252 |
| 34,880,530 | 32,432,657 | 29,330,545 | 36,675,915 | 40,264,604 |
| 17,094,781 | 18,446,705 | 20,992,374 | 20,409,781 | 20,188,432 |
| 85,020,086 | 84,773,990 | 90,674,820 | 89,429,713 | 90,166,076 |
| 11,317,428 | 11,323,897 | 35,223,915 | 30,187,680 | 31,727,193 |
| 2,466,034 | 2,522,599 | 2,311,106 | 2,341,192 | 2,366,803 |
| 12,274,742 | 13,605,387 | 14,761,163 | 14,708,724 | 14,904,430 |
| 16,600,138 | 13,719,492 | 14,142,981 | 13,572,028 | 14,691,427 |
| 52,256,806 | 53,670,920 | 48,418,409 | 41,378,739 | 20,348,505 |
| 3,512,000 | 2,212,000 | - | - | 4,200,000 |
| 800,000 | 13,640,000 | 13,680,000 | 25,075,000 | 1,245,000 |
| 2,342,510 | 2,546,229 | 2,279,262 | 2,591,819 | 1,995,418 |
| - | - | 756,596 | 340,150 | 366,193 |
| 238,565,055 | 248,893,876 | 272,571,171 | 276,710,741 | 242,464,081 |
| (14,585,074) | (25,968,826) | (22,315,953) | (19,249,621) | 23,332,171 |
| - | - | 29,396,544 | 11,785,098 | 26,115,000 |
| - | - | - | - | - |
| - | - | - | - | 2,763,951 |
| - | - | - | - | - |
| - | - | - | - | - |
| 20,850,338 | 30,581,799 | 62,117,741 | 34,878,705 | 18,911,427 |
| (25,901,838) | (33,913,097) | (66,881,321) | (38,740,088) | (28,758,784) |
| 217,999 | 1,244,360 | 449,541 | 572,860 | 220,314 |
| (4,833,501) | (2,086,938) | 25,082,505 | 8,496,575 | 19,251,908 |
| \$ (19,418,575) | \$ (28,055,764) | \$ 2,766,552 | \$ (10,753,046) | \$ 42,584,079 |
| 1.65% | 8.13% | 7.07% | 13.33% | 1.77% |

AUGUSTA, GEORGIA

GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| Year Ended | Property Tax | Sales Tax | Alcoholic Beverage Tax | Insurance Premium Tax | Hotel/Motel Tax | Franchise Tax | Excise Tax | Other Taxes | Total |
|------------|-----------------|--------------|---------------------------|--------------------------|--------------------|------------------|---------------|----------------|-------------|
| 2007 | 53,378,700 | 74,404,098 | 3,146,482 | 10,227,510 | 3,631,811 | 18,093,445 | 479,443 | 13,805,066 | 177,166,555 |
| 2008 | 50,387,783 | 74,157,270 | 3,176,519 | 10,924,360 | 3,689,624 | 19,453,502 | 474,957 | 13,787,510 | 176,051,525 |
| 2009 | 57,024,878 | 72,327,474 | 3,213,267 | 10,821,499 | 3,840,129 | 22,214,336 | 497,833 | 13,772,861 | 183,712,277 |
| 2010 | 37,841,223 | 72,609,062 | 3,229,585 | 10,506,999 | 3,969,576 | 21,175,805 | 534,219 | 3,634,897 | 153,501,366 |
| 2011 | 54,522,654 | 74,551,668 | 3,296,075 | 10,506,999 | 4,258,143 | 22,198,697 | 578,861 | 8,758,508 | 178,671,605 |
| 2012 | 57,108,355 | 74,530,210 | 3,441,585 | 9,756,969 | 4,500,243 | 24,098,240 | 585,180 | 9,036,914 | 183,057,696 |
| 2013 | 59,474,339 | 74,230,510 | 3,274,529 | 10,102,412 | 4,712,844 | 22,717,526 | 586,110 | 9,329,650 | 184,427,920 |
| 2014 | 69,764,291 | 85,008,914 | 3,321,766 | 10,562,802 | 5,449,084 | 21,800,964 | 665,843 | 3,246,578 | 199,820,242 |
| 2015 | 69,028,701 | 86,002,017 | 3,262,384 | 11,284,618 | 5,574,471 | 24,880,891 | 542,720 | 1,274,545 | 201,850,347 |
| 2016 | 69,821,813 | 91,066,216 | 3,320,190 | 12,223,371 | 5,872,963 | 24,481,414 | 610,170 | 1,266,885 | 208,663,022 |

Source: Augusta, Georgia finance department.

AUGUSTA, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS (IN THOUSANDS)

| Year | Real and Personal Property | Public Utilities | Motor Vehicles | Mobile Homes | Total Assessed Value | Less Exemptions on Taxable Property | Total Net Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|------|----------------------------------|---------------------|-------------------|-----------------|----------------------------|---|--|-----------------------------|--------------------------------------|---|
| | | | | | | | | | | |
| 2007 | 4,365,303 | 137,185 | 331,220 | 29,182 | 4,862,890 | 577,868 | 4,285,022 | 8.149 | 12,157,225 | 40% |
| 2008 | 4,611,738 | 129,257 | 339,952 | 25,166 | 5,106,113 | 567,238 | 4,538,875 | 8.149 | 12,765,283 | 40% |
| 2009 | 4,577,915 | 134,595 | 347,770 | 23,200 | 5,083,480 | 616,103 | 4,467,377 | 8.149 | 12,708,700 | 40% |
| 2010 | 4,775,700 | 139,086 | 315,423 | 19,747 | 5,249,956 | 593,280 | 4,656,676 | 8.056 | 13,124,890 | 40% |
| 2011 | 4,800,541 | 139,902 | 318,764 | 19,986 | 5,279,193 | 608,124 | 4,671,069 | 8.075 | 13,197,983 | 40% |
| 2012 | 4,895,821 | 150,294 | 338,312 | 18,756 | 5,403,183 | 603,773 | 4,799,410 | 8.085 | 13,507,958 | 40% |
| 2013 | 4,799,583 | 143,797 | 364,089 | 18,944 | 5,326,413 | 640,327 | 4,686,086 | 8.042 | 13,316,033 | 40% |
| 2014 | 4,863,021 | 150,379 | 311,398 | 17,837 | 5,342,635 | 627,710 | 4,714,925 | 9.788 | 13,356,588 | 40% |
| 2015 | 5,084,542 | 151,720 | 222,980 | 16,850 | 5,476,092 | 633,436 | 4,842,656 | 9.792 | 13,690,230 | 40% |
| 2016 | 5,349,519 | 180,602 | 165,291 | 16,044 | 5,711,456 | 925,908 | 4,785,548 | 9.794 | 14,278,640 | 40% |

Source: Augusta, Georgia Tax Commissioner

AUGUSTA, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN YEARS (Rate per \$1,000 of assessed value)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Augusta-Richmond County: | | | | | | | | | | |
| Maintenance and operations | 8.149 | 8.149 | 8.149 | 8.056 | 8.075 | 8.085 | 8.042 | 9.788 | 9.792 | 9.794 |
| Capital outlay | 0.791 | 0.791 | 0.791 | 0.782 | 0.784 | 0.785 | 0.781 | 0.781 | 0.781 | 0.781 |
| Urban service district | 8.058 | 8.058 | 8.058 | 7.985 | 8.002 | 8.026 | 7.987 | 5.200 | 5.208 | 5.216 |
| Fire district | 1.616 | 1.616 | 1.616 | 1.598 | 1.602 | 2.152 | 2.140 | 2.139 | 2.139 | 2.139 |
| Blythe fire district | 3.030 | 3.029 | 3.029 | 2.808 | 2.808 | 3.538 | 3.349 | 3.358 | 3.353 | 3.384 |
| Total Augusta-Richmond County: | 21.644 | 21.643 | 21.643 | 21.229 | 21.271 | 22.586 | 22.299 | 21.266 | 21.273 | 21.314 |
| Richmond County Board of Education | 18.805 | 19.342 | 19.342 | 19.110 | 19.110 | 19.110 | 19.982 | 19.972 | 19.972 | 19.754 |
| State of Georgia | 0.250 | 0.250 | 0.250 | 0.250 | 0.250 | 0.250 | 0.150 | 0.100 | 0.050 | 0.000 |
| Total | 40.699 | 41.235 | 41.235 | 40.589 | 40.631 | 41.946 | 42.431 | 41.338 | 41.295 | 41.068 |

Source: Augusta, Georgia Tax Commissioner

AUGUSTA, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

| 2016 | | | | 2007 | | | |
|-------------------------------|----------------------------------|-------------------------|---|-------------------------------|---------------------------------|-------------------------|---|
| Rank | Taxpayer | Assessed Valuation | % of County Gross Assessed Valuation | Rank | Taxpayer | Assessed Valuation | % of County Gross Assessed Valuation |
| 1 | PCS Nitrogen Fertilizer | \$ 95,962,660 | 2.00% | 1 | Georgia Power | \$ 55,287,471 | 1.29% |
| 2 | Georgia Power Company | 91,298,803 | 1.91% | 2 | Federal Paperboard | 54,139,169 | 1.26% |
| 3 | International Paper Co Papermill | 74,262,572 | 1.55% | 3 | Augusta Newsprint | 32,880,068 | 0.77% |
| 4 | Augusta National Inc | 59,963,191 | 1.25% | 4 | Nutrasweet | 30,095,359 | 0.70% |
| 5 | Eli Lilly and Company | 59,329,602 | 1.24% | 5 | Bellsouth | 27,729,217 | 0.65% |
| 6 | Fibrant LLC | 54,870,194 | 1.15% | 6 | PCS Nitrogen | 27,227,930 | 0.64% |
| 7 | Huntsman Pigments | 44,127,114 | 0.92% | 7 | Augusta National Inc | 24,099,938 | 0.56% |
| 8 | Doctors Hospital of Augusta | 32,386,389 | 0.68% | 8 | EZ Go Car Division | 20,841,364 | 0.49% |
| 9 | Augusta Newsprint | 29,483,590 | 0.62% | 9 | National Life & Accident Ins Co | 20,080,322 | 0.47% |
| 10 | Berkman Residential Properties | 21,727,843 | 0.45% | 10 | Augusta Hospital LLC | 18,190,547 | 0.42% |
| | | <u>\$ 563,411,958</u> | <u>11.77%</u> | | | <u>\$ 310,571,385</u> | <u>7.25%</u> |
| Total Gross Digest Assessment | | | | Total Gross Digest Assessment | | | |
| | | <u>\$ 4,787,150,495</u> | | | | <u>\$ 4,285,023,215</u> | |

Source: Augusta, Georgia Tax Commissioner

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AUGUSTA, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

| Year Ended ^a | Taxes Levied for the Year | Collected within the | | Collections in Subsequent Years ^c | Total Collections to Date | |
|----------------------------|---------------------------------|-------------------------|-----------------------|--|---------------------------|-----------------------|
| | | Fiscal Year of the Levy | Percentage of Levy | | Amount | Percentage of Levy |
| | | Amount ^b | | | | |
| 2007 | 34,918,654 | 32,194,701 | 92.2% | 2,839,704 | 35,034,405 | 100.3% |
| 2008 | 36,987,297 | 30,425,209 | 82.3% | 2,020,122 | 32,445,331 | 87.7% |
| 2009 | 36,443,274 | 32,092,669 | 88.1% | 5,969,265 | 38,061,934 | 104.4% |
| 2010 | 36,411,049 | 32,596,260 | 89.5% | 3,601,269 | 36,197,529 | 99.4% |
| 2011 | 36,432,868 | 33,237,560 | 91.2% | 3,195,308 | 36,432,868 | 100.0% |
| 2012 | 37,238,163 | 34,281,485 | 92.1% | 2,956,678 | 37,238,163 | 100.0% |
| 2013 | 34,596,234 | 31,092,089 | 89.9% | 2,836,193 | 33,928,282 | 98.1% |
| 2014 | 46,084,688 | 40,395,089 | 87.7% | 4,656,791 | 45,051,880 | 97.8% |
| 2015 | 46,341,621 | 39,577,785 | 85.4% | 4,733,227 | 44,311,012 | 95.6% |
| 2016 | 46,638,065 | 41,837,481 | 89.7% | - | 41,837,481 | 89.7% |

^a Fiscal year, January through December 31

^b Collections as of December 31 of the year of the levy.

^c Delinquent collections through December 31, 2016.

Sources: Augusta, Georgia Tax Commissioner's Office and Augusta, Georgia Department of Finance.

AUGUSTA, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN YEARS

| Year Ended | Governmental Activities | | | | |
|---------------|--|-------------------------------|--|---|--------------------------------|
| | General Obligation Debt ^b | Notes Payable ^b | Guaranteed Revenue Debt ^b | Certificates Of Participation ^b | Capital Leases ^b |
| 2007 | 36,468,229 | 2,500,000 | 46,053 | 16,169,354 | 1,743,688 |
| 2008 | 27,869,922 | - | - | 16,214,270 | 1,460,713 |
| 2009 | 51,458,058 | - | - | 16,259,185 | 1,225,613 |
| 2010 | 67,431,441 | - | 22,120,000 | 16,304,100 | 1,070,201 |
| 2011 | 46,740,601 | - | 21,410,000 | 16,888,000 | 1,070,210 |
| 2012 | 45,887,288 | - | 20,610,000 | 16,888,000 | - |
| 2013 | 32,536,960 | - | 26,835,000 | 16,888,000 | - |
| 2014 | 20,267,083 | - | 54,155,000 | 16,888,000 | - |
| 2015 | - | - | 60,640,632 | 16,888,000 | - |
| 2016 | 26,115,000 | - | 61,943,477 | 16,888,000 | - |

Source:

(a) Computed using the population amount from the "Demographic Statistics Schedule".

(b) Augusta, Georgia Audited Financial Statements

(c) Computed using the personal income amount from the "Demographic Statistics Schedule".

| Business-type Activities | | | Total Outstanding Debt | Percentage of Personal Income ^c | Debt Per Capita ^a |
|-------------------------------|-------------------------------|--------------------------------|------------------------------|--|---------------------------------|
| Revenue Bonds ^b | Notes Payable ^b | Capital Leases ^b | | | |
| 490,209,032 | 7,102,161 | 2,623,729 | 556,862,246 | 9.90% | 2,834 |
| 483,110,959 | 24,593,243 | 10,785,894 | 564,035,001 | 9.88% | 2,843 |
| 475,597,884 | 22,420,295 | 9,556,177 | 576,517,212 | 9.82% | 2,905 |
| 468,969,999 | 29,065,673 | 8,666,578 | 613,627,992 | 10.14% | 3,053 |
| 460,899,999 | 33,696,018 | 5,272,531 | 585,977,359 | 9.08% | 2,921 |
| 495,899,999 | 31,197,910 | 4,412,042 | 614,895,239 | 9.68% | 3,045 |
| 509,534,999 | 28,004,278 | 4,947,084 | 618,746,321 | 9.72% | 3,074 |
| 508,999,999 | 24,612,564 | 3,911,198 | 628,833,844 | 9.59% | 3,123 |
| 516,020,255 | 21,065,845 | 3,409,665 | 618,024,397 | 8.14% | 3,055 |
| 502,945,438 | 17,547,062 | 2,353,049 | 627,792,026 | 8.32% | 3,113 |

AUGUSTA, GEORGIA

RATIOS OF GENERAL BONDED DEBT LAST TEN YEARS

| Year Ended | General Obligation Debt ^b | Less: Amounts Available in Debt Service Fund ^b | Total | Percentage of Estimated Actual Value of Taxable Property ^c | Per Capita ^a |
|---------------|--|---|------------|--|----------------------------|
| 2007 | 36,468,229 | 10,194 | 36,458,035 | 0.30% | 186 |
| 2008 | 27,869,922 | 15,456 | 27,854,466 | 0.22% | 140 |
| 2009 | 51,458,058 | 912,528 | 50,545,530 | 0.40% | 255 |
| 2010 | 67,431,441 | 213,082 | 67,218,359 | 0.51% | 334 |
| 2011 | 46,740,601 | 295,214 | 46,445,387 | 0.35% | 232 |
| 2012 | 45,887,288 | 530,030 | 45,357,258 | 0.34% | 225 |
| 2013 | 32,536,960 | 93,682 | 32,443,278 | 0.24% | 161 |
| 2014 | 20,267,083 | 302,690 | 19,964,393 | 0.15% | 99 |
| 2015 | - | - | - | 0.00% | - |
| 2016 | 26,115,000 | 26,115,000 | - | 0.00% | - |

Source:

^(a) Computed using the population amount from the "Demographic Statistics Schedule".

^(b) Augusta, Georgia Audited Financial Statements

^(c) Computed using the estimated actual taxable value amount from the "Assessed Value and Estimated Actual Value of Taxable Property Schedule".

AUGUSTA, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF DECEMBER 31, 2016

| | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable (1)</u> | <u>Estimated Share Of Direct and Overlapping Debt</u> |
|--|------------------------------|--|---|
| Direct Debt | | | |
| Guaranteed revenue debt | \$ 61,943,477 | 100% | \$ 61,943,477 |
| General obligation debt | 26,115,000 | 100% | 26,115,000 |
| Certificates of Participation | 16,888,000 | 100% | 16,888,000 |
| Subtotal Direct Debt | <u>104,946,477</u> | 100% | <u>104,946,477</u> |
| Overlapping Debt | | | |
| Richmond County School District | 40,000,000 | 0% | - |
| Total Direct and Overlapping Debt | <u><u>\$ 144,946,477</u></u> | | <u><u>\$ 104,946,477</u></u> |

Sources: Augusta, Georgia financial statements and the Richmond County School District

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Augusta, Georgia. This process recognizes that, when considering the Government's ability to issue and repay long-term debt, the entire debt burden borne by residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

AUGUSTA, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN YEARS (IN THOUSANDS)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Legal Debt Limit | \$ 428,502 | \$ 453,888 | \$ 446,738 | \$ 465,668 | \$ 467,107 | \$ 479,941 | \$ 468,609 | \$ 471,493 | \$ 484,266 | \$ 478,555 |
| Net Debt Applicable to Limit | 36,458 | 27,854 | 50,546 | 67,218 | 46,445 | 45,357 | 32,443 | 19,964 | - | - |
| Legal debt margin | <u>\$ 392,044</u> | <u>\$ 426,033</u> | <u>\$ 396,192</u> | <u>\$ 398,449</u> | <u>\$ 420,662</u> | <u>\$ 434,584</u> | <u>\$ 436,165</u> | <u>\$ 451,528</u> | <u>\$ 484,266</u> | <u>\$ 478,555</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 9.30% | 6.54% | 12.76% | 16.87% | 11.04% | 10.44% | 7.44% | 4.42% | 0.00% | 0.00% |
| Legal Debt Margin Calculation for 2016: | | | | | | | | | | |
| Assessed Value | \$ 4,785,548 | | | | | | | | | |
| Debt limit (10% of total assessed value) | 478,555 | | | | | | | | | |
| Debt applicable to limit: | | | | | | | | | | |
| General obligation bonds | 26 | | | | | | | | | |
| Less: Amount set aside for repayment of general obligation debt | - | | | | | | | | | |
| Total debt applicable to limit | <u>26</u> | | | | | | | | | |
| Legal debt margin | <u>\$ 478,529</u> | | | | | | | | | |

Note: Under state finance law, the Government's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

AUGUSTA, GEORGIA
PLEDGED REVENUE COVERAGE
LAST TEN YEARS

| Year | Operating Revenue ^a | Direct Operating Expenses ^b | Net Revenue Available for Debt Service | Debt Service Requirements | | | Coverage |
|------|--------------------------------|--|--|---------------------------|------------|------------|----------|
| | | | | Principal | Interest | Total | |
| 2007 | 92,257,820 | 44,538,109 | 47,719,711 | 8,550,000 | 23,957,459 | 32,507,459 | 1.47 |
| 2008 | 102,987,863 | 48,775,548 | 54,212,315 | 6,845,000 | 17,068,411 | 23,913,411 | 2.27 |
| 2009 | 88,360,302 | 49,196,087 | 39,164,215 | 7,260,001 | 19,179,173 | 26,439,174 | 1.48 |
| 2010 | 100,211,244 | 50,613,934 | 49,597,310 | 8,155,000 | 23,534,533 | 31,689,533 | 1.57 |
| 2011 | 107,657,474 | 55,345,957 | 52,311,517 | 8,070,000 | 24,718,867 | 32,788,867 | 1.60 |
| 2012 | 122,017,467 | 56,610,499 | 65,406,968 | 4,955,000 | 24,774,198 | 29,729,198 | 2.20 |
| 2013 | 103,240,990 | 54,418,274 | 48,822,716 | 8,435,000 | 23,982,165 | 32,417,165 | 1.51 |
| 2014 | 122,941,682 | 73,206,611 | 49,735,071 | 9,715,000 | 24,044,858 | 33,759,858 | 1.47 |
| 2015 | 122,188,877 | 76,557,121 | 45,631,756 | 10,980,000 | 22,297,556 | 33,277,556 | 1.37 |
| 2016 | 125,462,761 | 80,194,874 | 45,267,887 | 11,475,000 | 21,228,655 | 32,703,655 | 1.38 |

Source:

^(a) Operating revenue includes operating revenues and interest of the major business-type funds.

^(b) Direct operating expenses excludes depreciation

AUGUSTA, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN YEARS

| Year Ended | Population ^a | Median Age ^b | Per Capita Income | Personal Income ^a | Public School Enrollment ^c | Unemployment Rate ^d |
|---------------|-------------------------|----------------------------|----------------------|---------------------------------|--|-----------------------------------|
| 2007 | 196,483 | 33.6 | 28,634 | 5,626,010,000 | 33,070 | 4.63% |
| 2008 | 198,423 | 33.9 | 28,764 | 5,707,479,000 | 32,312 | 6.48% |
| 2009 | 198,489 | 32.5 | 29,588 | 5,872,846,000 | 32,355 | 10.04% |
| 2010 | 201,015 | 33.2 | 30,108 | 6,052,185,000 | 32,038 | 10.39% |
| 2011 | 200,595 | 33.3 | 32,174 | 6,453,970,000 | 31,615 | 10.06% |
| 2012 | 201,966 | 33.0 | 31,436 | 6,349,054,000 | 31,738 | 9.02% |
| 2013 | 201,276 | 33.0 | 31,637 | 6,367,726,000 | 31,501 | 8.03% |
| 2014 | 201,368 | 33.4 | 32,549 | 6,554,362,000 | 31,431 | 7.02% |
| 2015 | 202,269 | 33.2 | 37,557 | 7,596,617,000 | 31,997 | 5.83% |
| 2016 | 201,647 | 33.3 | 37,424 | 7,546,437,328 | 30,742 | 6.30% |

Source:

a) Bureau of Economic Analysis; estimates for 2015 from the Central Savannah River Area Regional Commission

b) US Census Bureau

c) Richmond County Board of Education

d) U.S. Department of Labor; Not Seasonally Adjusted Annual Averages

AUGUSTA, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

| 2016 | | | | | 2007 | | |
|------------------------------------|---------------------------------------|---------------------|---------------|------------------------------------|---------------------------------------|---------------------|---------------|
| Rank | Employer | Number of Employees | % of Employed | Rank | Employer | Number of Employees | % of Employed |
| 1 | U.S. Army Signal Center & Fort Gordon | 25,264 | 10.19% | 1 | U.S. Army Signal Center & Fort Gordon | 19,844 | 10.59% |
| 2 | Richmond County School System | 4,418 | 1.78% | 2 | Medical College of Georgia | 4,656 | 2.48% |
| 3 | University Hospital | 3,200 | 1.29% | 3 | Richmond County School System | 4,418 | 2.36% |
| 4 | Augusta University Health | 3,054 | 1.23% | 4 | University Hospital | 3,200 | 1.71% |
| 5 | August Richmond County | 2,999 | 1.21% | 5 | Medical College of Georgia Health Inc | 3,054 | 1.63% |
| 6 | VA Medical Center | 2,082 | 0.84% | 6 | Augusta Richmond County | 2,612 | 1.39% |
| 7 | East Central Regional | 1,488 | 0.60% | 7 | VA Medical Center | 1,775 | 0.95% |
| 8 | EZ-GO/Textron | 1,277 | 0.52% | 8 | East Central Regional Hospital | 1,488 | 0.79% |
| 9 | Doctors Hospital | 1,210 | 0.49% | 9 | E-Z-GO Textron | 1,277 | 0.68% |
| 10 | Trinity Hospital | 844 | 0.34% | 10 | Doctors Hospital | 1,210 | 0.65% |
| Total Employed in Augusta, Georgia | | 247,899 * | | Total Employed in Augusta, Georgia | | 187,386 * | |

* Georgia Department of Labor, Workforce Information & Analysis, Local Area Unemployment Statistics Unit

Source of 2016 and 2007 Top Employers: Employers Human Resources Department

AUGUSTA, GEORGIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN YEARS

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Governmental Activities | | | | | | | | | | |
| General government | 320 | 329 | 319 | 326 | 339 | 370 | 350 | 338 | 307 | 341 |
| Judicial | 244 | 248 | 239 | 238 | 235 | 233 | 221 | 218 | 213 | 290 |
| Public safety | 1359 | 1363 | 1388 | 1422 | 1,524 | 1,567 | 1,514 | 1,377 | 1,278 | 1,296 |
| Public works | 217 | 233 | 217 | 222 | 223 | 224 | 216 | 206 | 189 | 175 |
| Health and welfare | 6 | 6 | 5 | 5 | 5 | 5 | 8 | 8 | 8 | 3 |
| Culture and recreation | 322 | 288 | 254 | 247 | 217 | 206 | 195 | 185 | 163 | 125 |
| Housing and development | 70 | 75 | 71 | 72 | 78 | 72 | 70 | 64 | 59 | 61 |
| Total Governmental Activities | 2,538 | 2,542 | 2,493 | 2,532 | 2,621 | 2,677 | 2,574 | 2,396 | 2,217 | 2,291 |
| Business-Type Activities | | | | | | | | | | |
| Airport | 90 | 97 | 98 | 96 | 92 | 85 | 84 | 82 | 80 | 86 |
| Transit | 73 | 73 | 70 | 69 | 4 | 4 | 4 | 4 | 4 | 4 |
| Water and sewer | 349 | 364 | 367 | 370 | 376 | 351 | 337 | 329 | 304 | 412 |
| Total Business-Type Activities | 512 | 534 | 535 | 535 | 472 | 440 | 425 | 415 | 388 | 502 |
| Total Primary Government | 3,050 | 3,076 | 3,028 | 3,067 | 3,093 | 3,117 | 2,999 | 2,811 | 2,605 | 2,793 |

Source: Augusta, Georgia Payroll Data

AUGUSTA, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN YEARS

| Function/Department | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|
| General Government | | | | | | | | | | |
| Number of Registered Voters | 91,985 | 106,615 | 107,551 | 103,505 | 104,000 | 109,016 | 110,396 | 101,480 | 88,528 | 105,642 |
| Animals Adopted per year | 881 | 809 | 815 | 874 | 963 | 928 | 824 | 772 | 1,110 | 1,376 |
| Animals Sheltered per year | 10,321 | 10,515 | 10,286 | 9,725 | 9,866 | 9,651 | 9,327 | 7,870 | 7,322 | 5,973 |
| Judicial | | | | | | | | | | |
| Number of Gun Permits | 1,210 | 1,216 | 2,343 | 1,545 | 1,537 | 1,938 | 2,231 | 2,563 | 2,549 | 3,278 |
| Number of Marriage Licenses | 1,750 | 1,584 | 1,605 | 1,556 | 1,471 | 1,419 | 1,317 | 1,385 | 1,349 | 1,609 |
| Public Safety | | | | | | | | | | |
| Total arrests | 6,354 | 6,038 | 5,608 | 5,214 | 5,066 | 4,488 | 4,886 | 4,404 | 1,746 | 3,888 |
| Inmates processed | 682 | 624 | 615 | 581 | 607 | 872 | 812 | 928 | 920 | 923 |
| Female Bookings | 1336 | 1001 | 830 | 907 | 949 | 1,600 | 1,521 | 3,379 | 3,576 | 2,952 |
| Male Bookings | 2,978 | 2,941 | 3,865 | 3,971 | 4,623 | 6,880 | 6,641 | 11,169 | 10,860 | 8,688 |
| Calls received via 911 | N/A | 534,856 | 783,224 | 770,122 | 777,329 | 776,192 | 717,110 | 716,613 | 645,030 | 595,178 |
| Public Works | | | | | | | | | | |
| Building Permits | N/A | N/A | N/A | 10,326 | 9,313 | 9,361 | 9,847 | 9,521 | 8,844 | 9,640 |
| Total Completed Inspections | N/A | N/A | N/A | 19,214 | 16,396 | 14,391 | 16,847 | 17,076 | 21,672 | 13,398 |
| Culture and Recreation | | | | | | | | | | |
| Library Book Circulation | 1,185,497 | 1,203,903 | 1,203,903 | 1,260,426 | 1,314,500 | 1,260,817 | 1,276,600 | 594,281 | 463,064 | 459,089 |
| Library Collection Size | 622,944 | 642,304 | 642,304 | 798,958 | 621,123 | 637,388 | 588,971 | 381,149 | 344,323 | 347,122 |
| Recreation Adult Sports Participants | N/A | 1,803 | 1,661 | 1,743 | 1,903 | 1,953 | 1,732 | 1,718 | 1,586 | 1,472 |
| Recreation Youth Sports Participants | N/A | 2,931 | 2,965 | 3,146 | 2,911 | 2,842 | 2,711 | 2,470 | 2,466 | 2,427 |
| Housing and Development | | | | | | | | | | |
| Number of single family building permits | 620 | 368 | 306 | 539 | 286 | 360 | 386 | 303 | 317 | 291 |
| Permits Issued Per year | 12,407 | 11,686 | 12,145 | 10,967 | 9,784 | 10,033 | 10,289 | 9,842 | 9,246 | 10,306 |
| Business Licenses Issued per year | 332 | 363 | 446 | 422 | 538 | 638 | 749 | 972 | 1,162 | 1,374 |

AUGUSTA, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN YEARS

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------------|------------|------------|------------|------------|------------|-----------|------------|------------|------------|------------|
| Transit | | | | | | | | | | |
| Total ridership | 890,987 | 943,617 | 675,263 | 642,956 | 751,294 | 747,718 | 776,332 | 831,032 | 824,267 | 706,893 |
| Total revenue miles | 730,769 | 717,059 | 826,795 | 774,426 | 732,526 | 775,100 | 799,419 | 852,971 | 961,639 | 553,068 |
| Airport | | | | | | | | | | |
| Number of landings | 14,814 | 14,364 | 14,378 | 15,201 | 14,561 | 13,930 | 13,572 | 269,902 | 13,036 | 13,703 |
| Gallons of fuel sold | 2,912,188 | 2,738,967 | 2,620,268 | 3,154,475 | 3,183,890 | 2,831,214 | 2,809,435 | 2,413,744 | 2,407,116 | 2,519,691 |
| Solid Waste | | | | | | | | | | |
| Community Refuse Collected (tons) | 197,006 | 355,518 | 322,321 | 300,807 | 328,011 | 323,203 | 396,752 | 471,041 | 368,819 | 398,676 |
| Community Recyclables Collected | 92 | 352 | 259 | 2,240 | 2,481 | 2,412 | 3,653 | 3,753 | 3,159 | 2,175 |
| Commingled (plastic, paper, glass) | N/A | N/A | N/A | 1,975 | 2,216 | 2,111 | 3,245 | 3,401 | 2,466 | 1,748 |
| Tires | 79 | 198 | 169 | 156 | 158 | 123 | 211 | 116 | 403 | 239 |
| Metal | 12 | 154 | 90 | 109 | 108 | 178 | 198 | 231 | 272 | 185 |
| Electronics | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 5 | 18 | 3 |
| Water and Sewer | | | | | | | | | | |
| Number of Sewer Customers | 47,353 | 47,647 | 48,041 | 48,369 | 48,406 | 48,833 | 49,167 | 49,635 | 50,035 | 50,524 |
| Total Gallons (In Thousands) | 7,670,971 | 7,503,902 | 6,989,768 | 6,857,211 | 6,927,733 | 7,287,986 | 7,352,070 | 7,345,052 | 6,757,463 | 7,106,854 |
| Average Gallon/Customer | 2,157,684 | 2,013,105 | 1,850,306 | 2,136,084 | 2,416,586 | 2,676,007 | 2,687,944 | 2,625,427 | 2,425,816 | 2,939,736 |
| Number of Water Customers | 60,609 | 60,548 | 60,813 | 60,890 | 60,813 | 61,175 | 61,374 | 61,861 | 61,969 | 62,329 |
| Total Gallons (In Thousands) | 11,995,213 | 12,288,341 | 11,386,930 | 11,984,630 | 12,361,917 | 978,496 | 12,031,186 | 12,304,985 | 11,112,016 | 11,646,204 |
| Average Gallon/Customer | 2,519,909 | 2,558,430 | 2,334,888 | 2,808,501 | 2,862,431 | 2,968,872 | 2,895,272 | 2,546,012 | 2,410,347 | 2,442,490 |

Source: Various government departments.
N/A - Data was not readily available.

AUGUSTA, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN YEARS (In Thousands)

| FUNCTION | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------|------|------|------|------|------|------|------|------|------|------|
| General government | | | | | | | | | | |
| Buildings | 4 | 4 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Vehicles | 20 | 21 | 37 | 41 | 41 | 42 | 50 | 58 | 63 | 64 |
| Judicial | | | | | | | | | | |
| Public Defender | | | | | | | | | | |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 4 | 5 |
| Vehicles | 12 | 16 | 20 | 23 | 26 | 31 | 35 | 35 | 41 | 44 |
| District Attorney | | | | | | | | | | |
| Vehicles | 2 | 3 | 4 | 4 | 5 | 6 | 7 | 7 | 7 | 7 |
| Public safety | | | | | | | | | | |
| Sheriff Administration | | | | | | | | | | |
| Buildings | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 |
| Vehicles | 79 | 80 | 80 | 81 | 81 | 84 | 84 | 84 | 86 | 86 |
| Sheriff | | | | | | | | | | |
| Vehicles | 236 | 273 | 308 | 354 | 408 | 460 | 479 | 555 | 599 | 614 |
| Buildings | 4 | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 6 | 6 |
| Fire | | | | | | | | | | |
| Buildings | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 23 | 23 |
| Vehicles | 29 | 38 | 39 | 45 | 57 | 50 | 51 | 52 | 52 | 55 |
| Fire Trucks | 37 | 39 | 39 | 39 | 40 | 43 | 44 | 46 | 54 | 54 |
| Animal Control | | | | | | | | | | |
| Building | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 |
| Vehicles | 4 | 5 | 6 | 7 | 7 | 10 | 12 | 15 | 16 | 16 |
| Covered dog runs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Emergency Telephone Response | | | | | | | | | | |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public works | | | | | | | | | | |
| Engineering | | | | | | | | | | |
| Buildings | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Vehicles | 93 | 95 | 98 | 102 | 102 | 105 | 121 | 130 | 142 | 142 |

AUGUSTA, GEORGIA

GOVERNMENTAL CAPITAL ASSETS BY FUNCTION LAST TEN FISCAL YEARS (In Thousands)

| FUNCTION & ACTIVITY | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---------------------------------|------|------|------|------|------|------|------|------|------|------|
| Public works (continued) | | | | | | | | | | |
| Water and Sewer | | | | | | | | | | |
| Buildings | 89 | 89 | 89 | 90 | 90 | 91 | 92 | 93 | 94 | 94 |
| Vehicles | 116 | 144 | 172 | 184 | 189 | 202 | 207 | 217 | 223 | 238 |
| Health and welfare | | | | | | | | | | |
| Buildings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Vehicles | 0 | 1 | 1 | 3 | 3 | 4 | 6 | 8 | 8 | 10 |
| Culture and recreation | | | | | | | | | | |
| Leisure Services | | | | | | | | | | |
| Community Centers | 11 | 12 | 12 | 14 | 14 | 14 | 14 | 14 | 14 | 14 |
| Tennis Complex | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Greenhouse | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Soccer Complex | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Diamond Lakes | | | | | | | | | | |
| Recreational Complex | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Pavillion | 7 | 8 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Golf Course w/ Buildings | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Aquatics Natatorium | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Main Library | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Old Government & Ezckiel House | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Housing and development | | | | | | | | | | |
| Planning and Zoning | | | | | | | | | | |
| Building | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Vehicles | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 8 |
| Transit | | | | | | | | | | |
| Buses/Vans | 12 | 12 | 18 | 24 | 35 | 35 | 35 | 37 | 38 | 45 |

Source: Augusta, Georgia capital asset records.